Daily Report

Central Eurasia

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Military Activity

Chechen Militants Agree To Transfer Hostages to Dagestan

LD2201173096 Moscow INTERFAX in English 1536 GMT 22 Jan 96

[FBIS Transcribed Text] Makhachkala, Jan 22 (INTERFAX) — Dagestani leaders and Chechen militants Monday reached an agreement on the transfer to Dagestan on January 23 of the hostages led out from Pervomayskoy.

Dagestani Minister for Nationalities Magomedsalikh Gusayev told INTERFAX Monday that the militants had given Dagestan the list of 46 hostages still held by them.

According to Dagestan Interior Ministry sources, the 14 Novosibirsk policemen seized by Raduyev's group near Pervomayskoy and held by the militants were not on the list.

The Dagestan representatives and Chechen militants met in a village in Chechen territory.

Gusayev said the militants insisted that the bodies of the dead gunmen be transferred to them.

"By our traditions we shall do so without any haggling," said Gusayev.

The only problem is that the dead bodies are being identified by the Russian Prosecutor-General's Office, so this issue will have to be discussed with them, he said.

The transfer of the hostages is to take place in the village of Novogroznensky in Chechnya Tuesday.

Earlier, head of the Chechen formations' headquarters Aslan Maskhadov had stated that some of the hostages — the Dagestanis — would be transferred to Dagestani officials without any preliminary terms. The Novosibirsk Special Unit Militia Detachment fighters, still held by the militants, are to be exchanged for the gunmen seized by the federal troops during combat operations near Pervomayskoy.

A source in the Russian Interior Ministry leadership told INTERFAX that the law-enforcement bodies were ready to exchange the Novosibirsk policemen for the rebels seized near Pervomayskoye.

Talks on Chechen Hostages Continue in Dagestan

LD2301104796 Moscow ITAR-TASS World Service in Russian 0916 GMT 23 Jan 96

[By ITAR-TASS correspondent Gadzhi Shamov]

[FBIS Translated Text] Makhachkala, 23 Jan (ITAR-TASS) — One more resident of the Dagestani town of Kizlyar, taken hostage by Dudayev gunmen, has returned home. Akhmed Adiyev, head of the Khazavyurt town internal affairs department, got 14-year-old Khiramagomed Ibragimov out of captivity in the Chechen village of Novogroznenskiy. Adiyev heads the Dagestani delegation at the talks with Dudayev's men.

Gennadiy Shpigun, deputy interior minister of the Republic of Dagestan, reported that Akhmed Adiyev and Basir Dadayev, leader of the Dagestani Chechens, and representatives of the mass media again departed for Novogroznenskiy this morning. The mechanism for and details of the release of the remaining hostages are to be discussed at today's talks.

In previous meetings it was agreed in principle that 46 Dagestanis in the village will be exchanged for the bodies of Chechen gunmen discovered after the events in Kizlyar and Pervomayskoye. About 70 bodies of Dudayev's men have been taken to Khasavyurt. A special commission is engaged in their identification.

Among the hostages in Novogroznenskiy are 38 civilian residents of Kizlyar, eight officials of the Dagestani militia, and 12 Novosibirsk militiamen from the unit that was guarding a checkpoint in the village of Pervomayskoye. Dudayev's men are offering to exchange them for Chechen gunmen taken prisoner in Dagestan.

Dagestani Official: No Hostage Exchange Expected Today

LD2301104296 Moscow Radio Rossii Network in Russian 1000 GMT 23 Jan 96

[FBIS Translated Text] There will evidently be no exchange of hostages for corpses of Chechen fighters today, Gadzhi Aripov, head of the press center of the State Council and Government of Dagestan, told us. According to him, there are no plans for Dagestani officials to travel to the Chechen town of Novogroznenskiy today to hand over hostages. Aripov indicted that investigatory groups have still to complete the identification of the corpses. The investigatory agencies are ready to hand the corpses of only some of the identified Chechen fighters who died while breaking out of Pervomayskoye on the night of 18 January over to the Dagestani side. Identification is being conducted in Khasavyurt by several investigatory groups of the Russian chief prosecutor's office to detect, among other things, remains of foreign mercenaries. Dudayevite fighters proposed the exchange. On Monday [22 January] they handed a list of 46 hostages they are holding to the Dagestani side. The main staff of the formations loyal to Dudayev has said that the Novosibirsk militiamen also being held by the fighters could be exchanged for captured fighters.

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Chechen Raduyev Interviewed on Hostage Handover

LD2301093196 Moscow Russian Public Television First Channel Network in Russian 0800 GMT 23 Jan 96

[From the "Novosti" newscast]

[FBIS Translated Excerpt] [Passage omitted] Salman Raduyev met with journalists from a number of Western agencies on Monday. In reply to a question about the forthcoming handover of the hostages, he said:

[Begin Raduyev recording] Our only demand is for the Chechen Republic, the Republic of Ichekeria, to be left alone so that we could each go our own way. They are giving us back our boys, several people who have been captured there, and the bodies of those killed. They don't need them. As for us, we should bury the dead in their motherland in accordance with Muslim customs. [end recording] [Video shows archive video footage of Pervomayskoye, hostages in one of the Chechen villages, Radyuev talking to journalists]

Chechens Try To Negotiate for Raduyev's POWs

LD2201150496 Moscow INTERFAX in English 1357 GMT 22 Jan 96

[FBIS Transcribed Text] GROZNYY, Jan 22 (INTERFAX) — Chechen separatist gunmen who are holding 29 power plant workers, kidnapped in Groznyy last week, offered to exchange them for Salman Raduyev's fighters taken prisoner of war by the federal forces in Pervomayskoye (Dagestan), the press secretary of the head of the Chechen republic Ruslan Martagov told INTERFAX Monday.

The representatives of the Chechen authorities and the Elders who held negotiations with Dudayev's fighters keeping the power plant workers returned to Groznyy on Monday, he said.

The gunmen have divided the power plant workers into groups, two or three in number, and dispersed them in different populated centers in the Gudermes and Vedeno regions. "According to available information, all the power plant workers are heathy and alive," he said.

Martagov said that fighters from the so called "Gelayev's group" (Ruslan Gelayev is the field commander of Chechen separatist leader Dzhokhar Dudayev—IF) seized the power plant workers.

"Chechen Elders are primarily negotiating for the liberation of the power plant workers. Officials from Groznyy are rendering their assistance," Martagov said.

Another group of the Elders went to the gunmen for negotiations on January 22, according to Martagov.

Russia: Raduyev Discounts 'Unconditional' Hostage Release

AU2201215396 Paris AFP in English 2144 GMT 22 Jan 96

[FBIS Transcribed Text] Eastern Chechnya, Russia, Jan 22 (AFP) — More than 80 hostages held in the rebel republic of Chechnya will be released only in return for guerrilla prisoners, not unconditionally as earlier promised, hostage taker Salman Raduyev said Monday.

The approximately 82 hostages, who were taken out of the neighbouring southern Russian republic of Dagestan last week, will be held against the return of Chechen fighters killed or captured in the fighting, Raduyev told AFP.

"If they let ours go, we'll let the lot go. If they're not going to release ours, we won't let any of them go. They've already tricked us," he said, asking that his exact location not be named.

Earlier Monday, Raduyev said that only the 28 policemen among the hostages would be held further and that the civilians would be let free.

"Today we're sorting out the plan, tomorrow you will go," he told the hostages in person.

The Chechens were demanding the return of six to seven guerrillas taken prisoner in Dagestan, 10 to 15 who were wounded and were in hospital and 20 to 25 bodies, he said.

The fate of the hostages depended on talks to be held Tuesday in eastern Chechnya with Dagestani authorities, he said. The final figure of 82 hostages could change by one or two, he said.

Raduyev confirmed reports that he was holding an extra 30 hostages grabbed from an electrical powerplant near the capital Groznyy last week and said they too would be used as bargaining chips for Chechen rebel prisoners.

"Fighters from Groznyy took them and gave them to us to use in exchange for our prisoners," he said.

Russia Moves for Release of Dagestani Hostages

LD2201221296 Moscow Russian Public Television First Channel Network in Russian 2105 GMT 22 Jan 96

[from the "Novosti" newscast]

[FBIS Translated Text] Here is Andrey Murtazin with a report on the hostages taken out of Pervomayskoye and the Russian power engineers.

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[Murtazin] Dudayev's fighters who seized 29 power engineering workers are offering to exchange them for Salman Raduyev's terrorists taken prisoner by the Russian forces in the area of Pervomayskoye. As reported by Ruslan Martagov, the press secretary of the head of the Chechen republic, at present all the power engineering workers are healthy and alive. They have been sent to various settlements in Gudermes and Vedenskiy districts. The talks about their release are being conducted by representatives of the Chechen government and the elders.

As for the Dagestani hostages taken by Raduyev's terrorists from Kizlyar and Pervomayskoye, the fighters promised to hand them over to the Dagestani authorities today. However, this has not happened. At the same time Maskhadov, the chief of the headquarters of Dudayev formations, said that the staff of the Novosibirsk OMON [Special Purpose Militia Detachment] will not be handed over by the Dudayevites. They are hoping to exchange the militiamen for Raduyev's fighters taken prisoner in Pervomayskoye.

Russia: Dagestan Counting Pervomayskoye Losses

LD2201185696 Moscow NTV in Russian 1600 GMT 22 Jan 96

[Report over video from Dagestan by correspondent Aleksandr Izraelyan; from the "Segodnya" newscast]

[FBIS Translated Excerpt] [Izraelyan] Dagestan is counting up the losses, cross-checking the number of the dead, wounded, and missing. There is still no information about the 50 hostages, of which there is no trace among the dead, wounded, or those who have returned home. Yesterday these numbered 59. These figures were given to us by a government official who asked not to be named. [passage omitted]

Now for the dry statistics — the statistics of destruction.

[Begin Leonid Gladysh recording, deputy chairman of Dagestan Council of Ministers, captioned] According to our first, rough estimates, the sum totals about 376 billion rubles. [end recording]

[Izraelyan] Apart from anything else, people here in Dagestan are convinced such losses could have been avoided. NOVOYE DELO writes that two days before 9 January, all military formations were withdrawn from Kizlyar. There were reports two weeks before that an act of terrorism was being prepared. And even when the bandits attacked the town, 250 Cossacks in Kizlyar demanded that the militia give them weapons. The authorities refused.

Today, the entire republican leadership flew to Moscow from Makhachkala.

Dagestan: Postassault Scene in Pervomayskoye Described

MM2301113096 Moscow TRUD in Russian 23 Jan 96 p 1

[Report by Mikhail Zubov: "Underground City Myth"]

[FBIS Translated Text] Pervomayskoye — On Sunday access was opened through the federal forces' fortified checkpoints to the previously closed settlement of Pervomayskoye and several other settlements in the area of Dagestan's border with Chechnya. At the moment not everyone who wants to go through is being allowed to do so, only the inhabitants of these population centers and their relatives.

Those traveling to Pervomayskoye are not returning to resettle in the homes they were forced to leave. The settlement lies in ruins. Some try to drag the remains of their chattels from beneath the debris of what was once their family home. Others have nothing to carry away; indeed, many have nowhere to go. Not everyone who has been made homeless has a family who can give them somewhere to live, if only for a short while.

There is a strong smell of putrefaction in the settlement. Not all those who were killed here have yet been found, dragged from under the debris, and removed. And no one has even bothered about the carcasses of the slaughtered livestock that are strewn everywhere.

In the center of the settlement, in front of what was probably a store, five recently discovered bodies lie in a row on the ground. Two are wearing camouflage dress, the others are in civilian dress. Police officers standing at a distance are allowing access to the corpses, especially as they have not yet been identified. There is a small crowd of about 12-15 people around the corpses. In the afternoon a truck with an open garbage container draws up. The corpses are loaded in and taken away.

At the far end of the settlement from the Dzerzhinki River, near a house that has been razed almost to its foundations, stands an old woman with a large milk can. The can, from which she used to sell milk, is today empty. She herself does not know why she is sitting here. In the evening she will leave forever. For an uncertain future. She will travel light: Only seven of the 32 head of livestock she had in her farmstead remain. Even those are half dead. Of her property she found only a pair of recently purchased boots, from which someone has cut the tops.

There are many people in the settlement during the day — not less than 100. There are many outside observers, mainly from neighboring settlements. Some people, including myself, are trying to find the "underground city"

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under Pervomayskoye that was described so thoroughly and eloquently to TV viewers. But we search in vain, because there are no such underground caves here.

True, there is a fairly well-prepared network of trenches and dugouts, but they are situated beyond the settlement, near the river. There are especially many curious people near Raduyev's fortifications. But their curiosity is not often idle curiosity. They try to determine what really happened during the tragic days of the assault. They ask many questions: Why did the federal forces shell and bomb the settlement, while there almost no craters at all near the gunmen's dugouts, which are not even camouflaged? And how did the terrorists manage to pass unnoticed, with their hostages, along the very shallow trenches — especially over the high, stone bridge over the river (in the opinion of local inhabitants, there was no other path for the terrorists to take)? And moreover, the gunmen managed to lay a mine field as they retreated. Sappers in Pervomayskoye are continuing to uncover and neutralize mines and tripwires. Some munitions are being destroyed right there, on the bank of the river. The sappers' work attracts a large number of spectators, who, however, having been warned of the danger, depart in orderly fashion and watch the explosion from a distance.

Despite their many fears, the Dagestanis attitude to the servicemen of the federal forces has on the whole not deteriorated in even a single case. Even those who, through no fault of their own, were injured and lost blood during the Pervomayskoye events do not harbor any anti-Russian sentiments. Or anti-Chechen sentiments, for that matter. The majority of people understand that terrorism has no nationality, and that it is essential to fight it. "If they had let the gunmen go without a fight again," one person with whom I spoke in Pervomayskoye says, "that would mean that we would have to expect new terrorist acts."

Russia: Pervomayskoye Military Performance Assessed

LD2201155696 Moscow NTV in Russian 1800 GMT 21 Jan 96

[FBIS Translated Text] [Aleksandr Zhilin of 'MOSKOVSKIYE NOVOSTI' shown in office] Our armed forces and, I think, Russia's entire system of national security earned a resounding two out of ten for the events in Pervomayskoye. The operation as originally planned was a sort of hybrid between a large-scale combined-arms operation and a special one. That is, the armed forces were to carry out the first stage in a combined-arms operation and ensure a bridgehead for the work of the special services which were supposed to free the hostages.

Everything looked good on paper. Yet when it came time to apply the plan there simply were no forces able to carry out this operation. Russia does not have them, and that needs to be said honestly. Soldiers from the Defense Ministry and some soldiers from the Interior Ministry troops were sent off to Pervomayskoye; the Alpha group was there, waiting for a bridgehead to be created for it to go into action; and there were a couple of units of combat equipment. That was all they could manage to scrape together from the whole of Russia to carry out this operation.

Speaking on television, the president put on an expression now perplexed, now stern, and said everything was done properly, that there are some forces capable of settling accounts with the fighters and so on. But is the president really not aware that the anti-terrorist center he keeps talking about is only just now being set up, and that there is in fact nothing there at all? Is he really not aware of the simply lamentable state of the army, which is falling apart before our very eyes and is already capable of nothing — with the possible exception of the airborne assault troops which, incidentally, are in effect being disbanded by the defense ministry?

All top-flight or, I would say, super top-flight anti-terrorism experts have consequently landed up as analysts in commercial organizations or have generally dispersed around the world as very expensive killers. That is what we need to talk about. It seems to me that we need to draw attention to the fact that Russia's entire state security system is about to fall to pieces. And no matter how much we would like to produce a strong impression, we need to look truth in the face: Unless the war in Chechnya is ended without delay, Russia will become "The Prisoner of the Caucasus", and that is the absolute truth.

Russia: Bosnia Mojahedin 'May Penetrate into Chechnya'

LD2201172696 Moscow INTERFAX in English 1556 GMT 22 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 22 (INTERFAX) — The Russian Federal Security Service (FSB) does not rule out that Islamic mojahedin, who are now leaving Bosnia, may penetrate into Chechnya in order to fight on the side of Chechen separatist rebels, a high-ranking FSB official told INTERFAX Monday.

The FSB official thus commented on reports alleging that mojahedin plan to leave Bosnia for the "holy war" in Chechnya. According to various estimates, mojahedin fighting for the Bosnian Muslims have numbered from several hundred to several thousand, the same source said.

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Mercenaries from the Middle East were among the Chechen gunmen led by Salman Raduyev who launched the Kizlyar hostage-taking, the official said.

"At least, it has been established that the bandit group [led by Raduyev] included Syrian and Egyptian citizens who have come to Chechnya via Azerbaijani territory," the same source said. Passports of these people with Azerbaijani-issued visas were discovered in the area of combat actions, the official said.

Taking into consideration updated reports, Russian security organs are now "working on necessary countermeasures," the FSB official said.

Terrorist Activity

Groznyy: Search for Chechen Gunmen Continues in Capital

LD2201200396 Moscow INTERFAX in English 1852 GMT 22 Jan 96

[FBIS Transcribed Text] GROZNYY, Jan 22 (INTERFAX) — All the necessary activities are being carried out in Chechnya to find the gunmen who made an attempt on the life of Kulayev, deputy mayor of the Chechen capital Groznyy, earlier Monday afternoon, Chechen Interior Minister Khamid Inalov told INTERFAX.

The attempt on Kulayev took place near the central marketplace of Groznyy. Two gunmen approached his car and opened fire.

Kulayev was hospitalized with two bullet wounds in his chest. His condition is serious, Inalov said.

"It is still difficult to name the organizers of this attempt. Law enforcers are working on all possible versions," Inalov said.

Russia: Intelligence Official Cited on Combatting Terrorism

LD2201225396 Moscow Russian Public Television First Channel Network in Russian 1900 GMT 21 Jan 96

[Quotation marks denote recorded passages]

[FBIS Translated Text] [Anchorman Aleksandr Lepichevskiy] Not a single country is able to deal with international terrorists alone, Yuriy Kobaladze, head of the public relations department of the foreign intelligence service of Russia, said in an interview for our program.

[Kobaladze] "I would like to show you for the first time the directory which our experts have prepared [he shows a green book]. These are foreign organizations which use terrorism as their means of activity; although it is confidential, we are planning in the near future to make it open as the information here is only based on the press, and on publications in the press. Our task is to gather information on the activities of terrorist organizations. To process it and to brief governments and, first and foremost, organizations which have been formed to combat terrorism. We carry out this work using for this purpose all avenues, in particular, partnership avenues, and our mutual cooperation with the intelligence services abroad.

[Lepichevskiy] "What measures are being taken to ensure the security of Russian citizens in Turkey and other countries of the world?

[Kobaladze] "Statistics have shown that the number of acts of terrorism, ranging from a threat to direct force in relation to Russian embassies and Russian citizens abroad, are increasing annually. After a stormy 1992 when we had a reorganization and there were calls, even in the Foreign Ministry, for all officers to be moved out of the Foreign Ministry and into the intelligence services. And then this function [institut] was more or less abolished and this did not add to the security of Russian citizens and our embassies. And now, as far as I know, many embassies are asking for this function to be returned. And it is very important here for these posts to be occupied by intelligence officers."

[Lepichevskiy] Yuriy Kobaladze commented at our request on reports from Russian press on Dudayev's links with the foreign diaspora and training of Chechen fighters on the territory of Turkey, and also information from the Cyprus information agency KIA on the training bases for the terrorists in the northern part of Cyprus occupied by Turkish forces.

[Kobaladze] "A large military base is not necessary for training terrorists. Terrorists can be prepared even in an apartment. This inflated thesis about bases is a slight exaggeration. If it was so simple and if terrorists were seen and the whereabouts of their bases were known, then it would have been possible to get rid of terrorism along time ago. It is a considerably more serious problem and specialists, of course, ought to deal with it. There should be no individual condemnation or assessment of the activities of all Chechens who live abroad. They are different peoples, there are those who support Dudayev and those who are against him. I would not go about thinking that every Chechen living abroad was a potential terrorist. We can talk a great deal about this, but then we would not be an intelligence service but a directory."

[Lepichevskiy] Alright, we will judge it based on results.

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Political Reaction

Russia: Yeltsin, Lobov Discuss Chechnya's Restoration

LD2301112596 Moscow ITAR-TASS World Service in Russian 1035 GMT 23 Jan 96

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Translated Text] Moscow, 23 Jan (ITAR-TASS) — Russian President Boris Yeltsin held talks today with Oleg Lobov, the president's special envoy to Chechnya and secretary to the Security Council, said presidential spokesman Sergey Medvedev speaking to ITAR-TASS. They discussed the restoration of Chechnya's economy and social sphere.

Yeltsin also signed a decree today, which spelled out the program for restoring Chechnya's economy and social sphere in 1996. The decree includes the relevant instructions to the Russian Government.

During the meeting with Lobov, Yeltsin laid special emphasis on social problems and the social side to the restoration work in Chechnya, because there are certain shortcomings in this area, Medvedev said.

The spokesman said that, apart from this, Lobov briefed the president on preparations for the next meeting of the Russian Security Council, which will probably take place next week.

Yeltsin, Chernomyrdin Discuss Chechnya, Dagestan

LD2301125496 Moscow ITAR-TASS in English 1235 GMT 23 Jan 96

[FBIS Transcribed Text] MOSCOW, January 23 (ITAR-TASS) — Russian President Boris Yeltsin and Prime Minister Viktor Chernomyrdin on Tuesday discussed issues of restoring Chechnya's war-ruined economy and rendering assistance to Dagestan which suffered as a result of a terrorist raid among other questions of the economic situation and "a relatively large package of personnel matters", according to presidential press secretary Sergey Medvedev.

Yeltsin took necessary decisions concerning the assistance to Dagestan, the press secretary said noting that the government's resolution will follow.

For the night, the president is planing to visit the Bolshoy Theatre to attend a gala performance devoted to 90th birthday of Igor Moyseyev, Russia's prominent ballet master and founder of the State Folk Dance Company, Medvedev said.

Zavgayev—'No Plans' To Halt Talks With Chechen Separatists

LD2301101796 Moscow ITAR-TASS in English 0919 GMT 23 Jan 96

[By Andrey Surzhanskiy]

[FBIS Transcribed Text] MOSCOW, January 23 (ITAR-TASS) — The Moscow-backed Chechen government has no plans to halt a dialogue with separatists after a Dagestani hostage crisis, head of the Chechen Republic Doku Zavgayev said on Tuesday.

"Intra-Chechen negotiations have not been interrupted and will not be terminated no matter what happens — this is our principle position," Zavgayev, who is currently taking part in the first session of the new Federation Council, told ITAR-TASS.

Thanks to the dialogue, "the majority of illegal formations members have returned to peaceful life," considers Zavgayev. The presidential decree "On legal guarantees to illegal armed formations in the Chechen Republic, who voluntarily stopped illegal activity" has greatly contributed to the process, he added.

Zavgayev said that the Chechen government "carries out a daily work" with all those who have not laid down their arms yet. Answering the question of whether negotiations with "Dudayev's supporters" are possible, Zavgayev called it a meaningless notion. The dialogue involves all conflicting sides, he stressed.

Head of the Chechen Republic strongly denounced the act of terror in Kizlyar and Pervomayskoye, emphasising that it "runs counter to moral principles, notably the Caucasian morals."

Chechen Parties, Movements Hold News Conference

LD2201144996 Moscow Radio Rossii Network in Russian 1100 GMT 22 Jan 96

[FBIS Translated Text] Participants in a round-table conference — representatives of public and political parties and movements in the Chechen Republic — held a news conference. Andrey Veduta, our special correspondent, reports from Groznyy:

[Veduta] Participants in the round-table stated that the situation in Chechnya can still be described as neither war nor peace. Today the question is whether Zavgayev's government is ready to resolve this situation in favor of peace.

In this connection members of various parties and movements held, on their own initiative, meetings both with members of the illegal armed formations and

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Zavgayev's representatives. They are ready to act as special mediators between Dudayev and the head of government elected in December.

However, either side may adopt an attitude that will make such mediation impossible. Representatives of the various Chechen parties and movements set up a special organizing committee for the convening of a coalition council of the Chechen Republic. The main task of the council would be to stabilize the situation in Chechnya, to resume talks, and to implement the bilateral agreements that were reached on a block of military issues, as well as to lay down the foundations for democratic elections in Chechnya.

Members of the organizing committee hold that representatives of all the parties and movements in Chechnya must take part in the elections.

Russian Interior Minister, Security Chief Interviewed

LD2201222696 Moscow Russian Television Network in Russian 1725 GMT 22 Jan 96

[Interview with General Kulikov, Russian minister of internal affairs, and General Barsukov, director of the Russian Federation Federal Security Service, by correspondent Nikolay Svanidze; place and date not given; from the "Details" program — recorded]

[FBIS Translated Text] [Announcer Nikolay Svanidze] Hello, the smoke has not yet dispersed after the operation in Pervomayskoye which may have far-reaching consequences, both political and military ones. On 20 January General Kulikov and General Barsukov gave a sensational news conference.

[begin Barsukov recording] One respected Chechen himself said about his people that a Chechen can only kill. If he is not capable of killing, then he is a bandit, he plunders; if he is not capable of that, then he steals. There is no other kind of Chechen. [end recording]

[Svanidze] Today in our program we have a recording of an exclusive interview by the "Details" program of the heads of the two power departments.

[begin recording] [Svanidze] Mikhail Ivanovich [Barsukov], I have a question for you. On 20 January, at the news conference, you allowed yourself to say things that were interpreted by the journalists present as a nationalist attack on the Chechen people.

[Barsukov] Sorry, this is not the case. The Chechen people are like any other people. They are a diligent people, a people who take care of their customs, hold these customs dear and observe and respect them. They respect their elders, love their children, love their land. Only, one should not confuse this with something else. I am saying that at the present stage, with what has just happened in Chechnya, customs are starting to take shape among that people that are not the best ones. Absolutely different principles, which are not characteristic of them all, aspects and sides to their characters are starting to emerge. Naturally, any one can be hot-tempered, anyone can be somewhat aggressive when he is enclosed in such a framework, and he gets like that, not because he was like that from birth, but because the circumstances of life, the situation force him to be like that. And, on top of that, he is exposed to, shall we say, propaganda, an influence of some kind, plus the fact that some other kind of side effects play a part, too. A person who has been driven into a corner, becomes like a wild animal. You can understand that yourself.

[Svanidze] When they found themselves barraged with questions by the mass media even before the operation had ended in Pervomayskoye, the heads of the Federal Security Service and the Ministry of Internal Affairs picked the only means of defense that was possible in this case — attack, and consistently insisted that the operation as a whole may be regarded as a successful one.

[Kulikov] Well, if one is mindful of the fact that people perished there, one should probably not talk about a victory. But I think that the results will make Dudayev and those close to him think first and foremost.

[Barsukov] I think that on the whole the results are positive ones. It is bad that we were not able to arrest Raduyev himself. At the present time, we are searching for him. I think that, on the whole, this is a lesson to everyone, because a terrorist, any terrorist, no matter what kind of terrorist he is, should not evade responsibility. I think that in the course of time, no matter how far a ball of string stretches, it has to come to an end.

[Kulikov] And the second thing is that, according to our estimates, no more that 20 people managed to break out. And I would like to say that we are really looking for them and hope that Raduyev is also somewhere out there. His brother has been arrested. His special messenger was killed on the spot. Their satellite radio transmitter is there. All those who were close to him, those who were there with him have also been killed. I am not ruling out that Raduyev himself might be there somewhere, that we shall soon discover him, dead or perhaps even alive.

[Svanidze] Purely from a psychological point of view, it is precisely the clarification of Raduyev's fate — which is in itself not that important in this matter — that can

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complete the picture of the Pervomayskoye operation. If a live Raduyev does not turn up in the very near future, the heads of that operation can regard that as an asset to them. If Dudayev's relative, healthy and pleased with himself, gives a news conference in a mountain village, that will be a big moral blow for the Kremlin.

Can one regard the operation in Pervomayskoye as the start of stepping up operations against Dudayev?

[Barsukov] I think the decision on that should be made by the commander of the group that is in the Chechen republic. That will not be within the competence of the directors of the Federal Security Service and the Ministry of Internal Affairs...

[Kulikov, interrupting] No, I would like to correct that...

[Barsukov, interrupting] That will no doubt be done on the spot. However, I do not know how events will develop. The peace negotiations process has been practically disrupted, although the accords that were achieved have also been violated, not by our side, not by the Russian side.

[Kulikov] I can say unambigously Yes, there will be a stepping up [of operations against Dudayev], a stepping up from a military equipment point of view. This means that we will reinforce all the subunits to arrest and rout the remaining bandit formations as soon as possible.

[Svanidze] And Dudayev personally?

[Kulikov] Well, he is a wanted man. They are searching for him.

[Svanidze] A question for you, Mikhail Ivanovich. You dismissed Aleksandr Mikhaylov, the head of the public relations center. What were your grievances against him?

[Barsukov] Aleksandr Mikhaylov is going to work in the information and analytical directorate of the Federal Security Service. I do not think it is necessary to have a general give out information and so forth. It is sufficient to get a person of lower rank to do it. That person does not necessarily need to have a general's rank. I have no grievances against Mikhaylov. He is an intelligent, competent worker, member of staff, whose performance has been quite good, but I want to give that job to someone else. [end recording]

Russia: Lebed Criticizes 'Unsatisfactory' Chechen Measures

AU2301104796 Sofia TRUD in Bulgarian 19 Jan 96 p 9

[Interview with Russian General Aleksandr Lebed by Dimitrina Gergova in Moscow on 17 January: "Terrorists Have No Chance in Strong State"]

[FBIS Translated Text] Our correspondent Dimitrina Gergova was able to locate General Aleksandr Lebed in his Moscow apartment on 17 January. The general agreed to give TRUD an exclusive interview on the Russian authorities' actions to resolve the hostage crisis.

[Gergova] Aleksandr Ivanovich, as a professional soldier, what do you think about the recent developments in Pervomayskoye?

[Lebed] I cannot assess the events from the point of view of a professional soldier because our television reports do not contain any information. I expect to receive the details later, and then I will comment on them and discuss the real situation.

[Gergova] How would you assess the actions by the authorities?

[Lebed] In every more or less civilized state, a cabinet that would have done even one-tenth of what our government did would have resigned by now. On the other hand, for us, all this apparently means nothing. In one word — the authorities' actions are unsatisfactory.

[Gergova] Will the events create a cabinet crisis in Russia?

[Lebed] I do not think so. Hardly. We simply are not a country in which such a "trifle" could prompt a cabinet crisis.

[Gergova] You offered your help as a professional soldier before the military actions in Pervomayskoye began. Why was it not accepted?

[Lebed] How should I — I wrote to the president, but I received no answer. I addressed an official appeal to him through the mass media.

[Gergova] Do you have a prescription for fighting the terrorists?

[Lebed] I have dealt long enough with the subject. No one has prescriptions, but I have a certain experience.

[Gergova] How do you assess the warning of Chechen leader Makhadov that the appearance of terrorists in many Russian cities, including Moscow, is possible and that an escalation in the war was imminent?

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[Lebed] Everything is possible in a state such as ours. A state either exists or disappears. If it exists — terrorists do not have a chance.

[Gergova] Do you think the Chechen terrorists are linked to international "colleagues?"

[Lebed] I think they are seriously related to them and to certain organizations in Moscow.

[Gergova] Could you please explain?

[Lebed] The key to the Chechen problem is in Moscow. It is not of a military but rather an economic character.

[Gergova] More specifically?

[Lebed] I mean the major oil pipeline. However, I leave the details to myself.

[Gergova] Do you think there is solution worthy of Russia that could put an end to this conflict, which has already turned into a war?

[Lebed] There are no situations that cannot be resolved.

[Gergova] The state Duma adopted a declaration on the events in Chechnya. Did you vote for or against it?

[Lebed] I abstained. I do not like declarations.

[Gergova] How do you see your future in the Duma? Whom do you see as your partner?

[Lebed] I have not decided yet. For the time being, I am looking around and listening. Many smart, ambitious, and versatile people have entered the Duma.

Commentator Praises Moscow's Handling of Hostage Crisis

MK2301084696 Moscow KRASNAYA ZVEZDA in Russian 20 Jan 96 p 2

[Analysis by Aleksandr Golts: "The Onslaught of Terror Can Only Be Resisted By Joint Efforts"]

[FBIS Translated Excerpt] So, the most strenuous operation to rout Raduyev's bandit group has after all been completed. The greater part of the terrorists did not get away. The greater part of the hostages was saved. The event, which began according to the Budennovsk scenario, in its closing stage looked like the situation in Groznyy exactly a year ago. In Pervomayskoye, federal forces had to storm house after house and at the same time repulse attacks by other Dudayev formations, which tried to rescue Raduyev. The main outcome of what has happened is that the bandits failed to achieve what they had demanded. [passage omitted]

Yet, the bandits can be accused of anything but the inability to calculate precisely. What were they after? I believe that in Chechnya itself there were clear signs of fatigue from the war and the unwillingness to make further sacrifices for the sake of Dudayev. Disorder also emerged within his military formations. In that situation one obvious objective of terrorist actions was an attempt — incidentally, very typical of the criminal mind — to tie everybody by blood, making all Chechens responsible for the crimes of their compatriots and thus rally them around Dudayev.

Another bet — even more important for Dudayev — was placed on our division — above all, a division for political motives. It is at least logical to assume that the terrorist act was timed to coincide with the inauguration of the new Duma. The entire experience of the previous year showed to the criminals that domestic politicians will not miss such an opportunity to assert themselves and kick the government an extra time, especially since this does not involve any responsibility. It will be recalled what hysteria from the deputies accompanied combat actions in Chechnya, and it will also be recalled that Budennovsk provoked a severe government crisis, which nearly lead to the cabinet's resignation. This, for its part, could not but impair the decisiveness of federal forces and their resolve to take effective action against the gunmen.

True, that did not happen this time around. Although the terrorist act diverted the people's deputies from dividing the Duma portfolios, on the second day of the session they managed to adopt a statement on the situation in Northern Caucasus. Even if not unequivocally, it nonetheless expressed the general outrage over terrorist acts and the demand that the government take effective measures with respect to the bandits (as far as can be understood, the Duma members reserve to themselves the right to subsequently judge which of the measures have been effective). The proposal by the Yabloko bloc to give the president and the government a vote of no-confidence was not supported. [passage omitted]

In this connection the question arises: If our politicians demand consistency in fighting those who take hostages, what negotiating process can there be at present? With whom should Moscow negotiate as a number of domestic and foreign political figures propose? After all, Dudayev openly acknowledged that there was no improvisation in the actions by the Raduyev group: It was carrying out an order. By acknowledging that he has planned the raid on Kizlyar, Dudayev has finally struck himself off the list of those with whom agreement may be sought. Therefore federal authorities can now only negotiate with those who decisively dissociate themselves from Dudayev and his actions.

Thus, a fight against terrorism means a merciless war against all the remnants of the Dudayev regime, an ob-

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jective set by Boris Yeltsin before our power structures. Judging by what has happened in Pervomayskoye, this war is not going to be easy. The entire experience of the past few years shows, however, that each new concession to the Dudayevites leads to more and more casualties. The time for compromise with the bandits has passed. This is why it is vital today to do everything possible in order to ensure public support for this struggle, no matter how difficult it might be.

Chechen Information Minister Sees New Major War in Caucasus

BR1901150896 Copenhagen POLITIKEN in Danish 19 Jan 96 p 12

[Report on telephone interview with Chechen Information Minister Movladi Udugov "in the southern Chechen mountains" by Dana Schmidt; no date given: "Chechens Believe in Major War"]

[FBIS Translated Text] Everything Moscow says about the situation in Pervomayskoye is lies. The Kremlin is lying when it claims that the Chechens are murdering the hostages. The Russians are doing that themselves. The night before last they killed nine of them. They had come with a white flag to beg the Russians to negotiate and to spare the lives of the 150 hostages. This proves that Moscow's claim that it wants to rescue the hostages is also a lie. In reality Yeltsin's regime knows of only one way of resolving the drama: razing the village to the ground and exterminating everyone, our people, the hostages, and civilians.

So said Chechen Information Minister Movladi Udugov in a telephone interview with POLITIKEN.

Udugov, who is a member of President Dzhokhar Dudayev's staff in the southern Chechen mountains, is in permanent telephone contact with the Chechens in Pervomayskoye. That is why, he said, the staff has the latest information around the clock on the situation in the village — including the information that the Russians' justification yesterday for continuing the attack on the village instead of negotiating was that the Chechens had already killed all the hostages.

Muslim Brothers

"This is also a boundless lie. The hostages are Dagestanis — that is, our Muslim brothers who support our just struggle for freedom. None of us would ever kill a Muslim hostage," Udugov said.

He said that the situation has changed greatly in the course of the last 24 hours because the Chechens have succeeded in breaking through the threefold Russian ring around Pervomayskoye.

"Moscow is concealing this because despite everything it is a little ashamed of its useless army which can only do one thing: destroy and murder."

According to Udugov, there are around 25 to 30 Chechens left in the village from the group which 10 days ago took the hostages in Kislyar — only the wounded whose condition is so serious that they cannot take part in the heavy fighting. According to Udugov, reinforcements have also come from Chechnya.

"The Russians deny this. But believe me when I say that our fighters have broken the Russian encirclement. I have no reason to lie. We are not interested in giving a false picture of our cause. In the final analysis this would only harm ourselves," Udugov said.

According to Udugov, the truthful picture is that all the hostages who have lost their lives up to now have been liquidated by the Russians.

Russians Indifferent

"The Russians are indifferent to human life. They have proved this throughout their history and recently have done so more than clearly in Chechnya. In Pervomayskoye they are murdering the hostages only to say afterward that we did it and to have an 'argument' for destroying the village. Before the group with the white flag they murdered at least 19 Dagestani hostages," the minister said.

He reported that the Russians are attacking Pervomayskoye with so-called "vacuum bombs" which leave craters that are 7 to 8 meters deep and about as wide and are destroying everything. The bombs poison the air, so the life that would remain around the craters dies.

"The Russians are indescribably brutal. This is a terrible fact and I hope that it is becoming clear to the rest of the world. I also believe that the whole world is on the brink of understanding that Moscow is lying. And is committing genocide against a section of its own population," Udugov said.

The minister hopes that recent events will have an effect on public opinion in Western Europe, so that Russia is not admitted to the Council of Europe. He rejects the thesis that the Europeans will be able to have a great influence on Moscow's policies if Russia becomes a member of the council.

"You cannot be that naive. I am sure that things would move in exactly the opposite direction: It will be Russia which begins to manipulate you the moment it is admitted. And Yeltsin will say: You have admitted us and therefore you must take account of our views," Udugov said.

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The War Continues

According to Udugov, the war in Chechnya will continue until the Russians capitulate. And it will spread, the minister also believes.

"Even now we can say that the war is not just a Russian-Chechen affair. Dagestan is already involved. The Dagestanis have now realized fully that they are in danger like us and their hate of the Russians is growing as strong as ours. Most of the other Caucasians also view Russia as an enemy which only wants to make the decisions and rule. I believe that we are now approaching a major new Russian-Caucasian war," Udugov said. It has not been possible for POLITIKEN to obtain confirmation of the minister's statements from neutral sources. But all the Russian television channels reported last night that 20 to 25 Chechens had been captured in Pervomayskoye. They could be the wounded Udugov talked about.

Russian Foreign Ministry Commends Turkish Authorities

LD2201151196 Moscow INTERFAX in English 1357 GMT 22 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 22 (INTERFAX) — Russia's Foreign Ministry commended the actions of Turkish authorities who did their best to free hostages aboard the Avraysia ferry boat, the majority of them being Russian citizens, according to a ministry statement provided to INTERFAX Monday.

The Russian party established contact with the Turkish authorities from the very beginning of the incident when gunmen seized the ferry-boat. "There was an active dialogue between the leadership of both countries. We have established a close interaction with participation of the Foreign Ministry and other departments," the document says.

The Russian party expressed readiness to render any necessary assistance to prevent such acts in the future. "No such act will ever be repeated, Moscow hopes."

"In this context we perceive the statement of Turkey's Prime Minister Tansu Ciller saying that Turkey opposes any forms of terror and violence irrespective of their political motives," the document says

In general, the Russian party sticks to the opinion that "development of the Russian-Turkish relations will continue and will progress in a spirit of good neighborliness and fruitful cooperation."

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Daily Publishes Yeltsin's Address to CIS Summit

MM2201125496 Moscow ROSSIYSKIYE VESTI Saturday Edition in Russian 20 Jan 96 pp 2-3

[Speech by Russian Federation President Boris Yeltsin at CIS Heads of State session, followed by unattributed report of leaders' comments, under the general headline: "Bringing Our Countries Together on Basis of Partnership and Mutual Advantage"]

[FBIS Translated Text] Esteemed CIS heads of state!

First and foremost I will inform you of the results of the operation to put a stop to Raduyev's criminal terrorist action in Dagestan.

More than 350 gunmen took part in the act of terrorism in Kizlyar. Of these, 29 were killed and 20 wounded. The surviving terrorists, taking some of the hostages with them, left Kizlyar on buses heading toward the Chechen Republic.

The civilian casualties included 24 killed and several wounded. The federal troops' losses were nine killed and 42 wounded.

The General Prosecutor's Office has instituted criminal proceedings. Painstaking checks into all the circumstances will be carried out and the responsibility of the officials whose duty it was to fight terrorism and safeguard the population's security will be determined.

There were more than 300 gunmen in the settlement of Pervomayskoye holding 110-120 hostages (by the hostages' own reckoning).

During the operation 153 terrorists were killed and 30 gunmen taken prisoner. On the night of 17-18 January a group of bandits supported by gunmen from Chechnya tried to break out of the encirclement. They used women, children, and captured policemen as shields.

As a result of the operation most of the hostages were released. All the residents of Pervomayskoye survived [zhiteli Pervomayskogo vyshli vse].

The federal troops' losses in Pervomayskoye were 26 killed and 93 wounded.

The collection and analysis of data on this act of terrorism is currently continuing.

Of course, it was a tragedy. Civilians and servicemen were killed. We mourn them.

Esteemed CIS heads of state!

We are into the fifth year of the CIS's existence. This is a sufficient period for an objective assessment of how far we have come.

In this historically short period a — for us — fundamentally new political, organizational, and legal system of cooperation has been established. It is based on sovereignty and market principles.

Multilateral and bilateral agreements regulate the cooperation between our states in different spheres. A firm basis has been created for the further development and all-around interaction of the Commonwealth states.

Following a period of parting of the ways, there was a breakthrough in favor of an integrated community of states. The conclusion of the Treaty on the Creation of an Economic Union in 1993 was proof of that.

The illusion that we could solve our problems faster in isolation, becoming full members of the world community, has been dispelled. On the contrary, no country has been living better in isolation. Life itself shows us that the strengthening of multilateral ties between our states yields real benefits. It is far more reliable than promises of aid — be they from East or West.

All the more so as ties within the CIS framework are no obstacle to the development of relations with other partners in the world.

We effectively have the only real reserve for achieving progress — integration and the pooling of efforts. After all, our conditions and tasks are virtually the same.

And it is the current generation of politicians that has to solve the problems of our states' integration.

There is no alternative to closer ties in our economies, science, and culture. This is something that our peoples want. And this is Russia's strategic policy.

At the same time, it is groundless to accuse our country of imperial attitudes. Integration is a free choice while maintaining sovereignty and independence. We, like you, do not want a return to the past. But is it sensible not to take advantage under the new conditions of beneficial ties and the effect of pooling our efforts?

Let us be frank: Sometimes people want us to fall out. We know who wants this, we know why, and we know how they operate. They are trying to generate distrust of Russia and distrust among us. But I hope that we all have enough political wisdom to live in harmony together and to ensure that we have the world's respect.

Russia, like your states, has its own interests in the Commonwealth. But we intend to achieve them by seeking a balance between our interests and those of each of the CIS states.

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I think that the Commonwealth is ready for a long-term integration strategy based on the national state interests of all participants.

Russia's principled position is not to impose its will on anyone but to bring our countries closer together on the basis of partnership and mutual advantage.

Some weighty practical steps were taken in 1995 to form a new system of cooperation in the economic sphere.

The implementation of the Customs Union has entered a decisive phase. Without it the development of mutual economic ties will be impossible.

On the whole we are satisfied with the cooperation in this sphere with Belarus, Kazakhstan, Kyrgyzstan, Uzbekistan, and Tajikistan. Participation in the Customs Union will give us all the greatest possible benefits.

We are prepared to work in this direction with other interested states. Moreover, the entire course of work shows that we are entirely capable of completing it in the coming year. This will be a major step toward economic, political, and social stabilization in our countries.

I think that the Customs Union will also acquire international recognition — primarily from the EU.

Last year's real achievements included the creation of the Interstate Economic Committee [IEC]. It is not serious to talk about integration without having a clear-cut organizational structure. But the IEC idea was not immediately accepted.

Common sense ultimately prevailed. We had to find an appropriate solution to this problem.

The IEC has begun its work relatively actively. It will not be trying to crush the national economies beneath it, but will be dealing with practical matters.

These include the elaboration of an overall strategy to develop integration and a mechanism for implementing it, the quest for spheres of common interest, and so forth. A number of major documents have already been prepared under its auspices.

But we are expecting more from the IEC. It is destined to be a kind of integration headquarters and to concentrate work on specific plans to deepen that integration. In order to create favorable conditions for the IEC's activity, a decision is in the pipeline to construct a special building for this and other CIS organizations located in Moscow.

Taking account of what has been achieved, it is time to draw up a package of tasks to deepen integration in the immediate future. The key problem is that in the last four years we have traveled different distances in our economic transformations. As a result, we are finding investment cooperation, trade, and production cooperation so difficult.

We need equal conditions for economic activity on our states' territories, we need to bring legislative bases closer together, and we need to unify our national economic mechanisms.

Coping with this will mean reaching a qualitatively higher level of cooperation.

I believe that it is time for the Heads of State and Heads of Government Council sessions to discuss in principle the question of the nature and stages of economic transformations in the Commonwealth states. The Interparliamentary Assembly could be of great assistance in this area.

We are not talking of adapting everything to a single model. But if the differences in our economic mechanisms continue to widen, then there will not be a single economic area.

The problem of settlements is a serious one. Normal trade will simply be impossible unless that problem is resolved. It is disappointing that it is not yet clear how to create an effective mechanism for payment and settlement relations.

I think that we need to instruct our finance and economics ministries in conjunction with the CIS Currency Committee to draw up a joint concept for a payments union to be subsequently transformed into a currency union.

It would be expedient to specially examine this issue at the next session of the Heads of Government Council and then at the Heads of State Council.

The face of modern integration is production, science, and technology. Consequently, very major tasks will have to be resolved within the sphere of production cooperation. This is the top priority for us.

Technological backwardness is the most acute problem for all of us. At the same time, the prospects for overcoming it are not as gloomy as they might at first appear. The aggregate scientific potential within the Commonwealth is great. So let us use it in our common interests.

The first step toward this has been taken. An agreement to recreate a single scientific and technological area has been signed. Now it needs to be developed operationally in a system of specific projects. This task is one that our sectoral coordinating organs are entirely capable of handling.

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The formation of the interstate committee for scientific and technological development ought to be accelerated. It was designed to organize this large-scale work.

The next step could be to coordinate structural policy.

So far both Russia and our partners are developing these issues in isolation. Given the acute shortage of investment, this is a luxury we cannot afford. And cooperation in this area will yield undoubted benefits for each participant.

It is very important to coordinate positions on the questions of forming a common capital market, as well as a rational system for the interstate division of labor.

It would be useful if the IEC were to hold a conference of the leaders of the CIS countries' economics ministries on these issues.

Joint investment programs should become an effective tool of structural policy. Primarily in those spheres of the national economy whose production is vitally important for the partners.

Primarily these are the fuel and energy complex and modern machine-building sectors.

The financial-industrial groups that are currently being created need major state support. In Russia, such support is being provided.

I would also like to dwell on the questions of our cooperation in the political sphere. Here we do not need to invent anything new, we need only look to the experience of other regional interstate associations — primarily the EU.

After all, we need not necessarily be talking about merging into a single state.

I am convinced that each Commonwealth state would seriously strengthen its clout in the world community and, particularly, in Europe if it adopted coordinated positions on the key issues of world politics. Many problems — with the EU, for instance — would be resolved more effectively.

If we reach agreement on such coordination, specialists could arrange it rapidly.

This also fully applies to the sphere of defense.

We cannot fail to recognize that the warming of the international climate in the nineties was mainly the result of the unilateral disarmament steps taken by our side. At the same time, there remains a threat of regional and interethnic conflicts. NATO and, primarily, the United States are constantly strengthening their military potential.

The Commonwealth countries will find it virtually impossible to safeguard their national security in isolation. But we are capable of doing so through a collective security system.

We are taking measures in this direction, but they are inadequate. I would ask you to weigh up your interests once again and to approach the resolution of these issues taking account of all external and domestic factors.

I propose focusing our efforts on creating a single defense area and preserving the unique military systems that previously protected Union territory.

In particular, we are talking about a single air defense system, cooperation in the sphere of the mobilization preparation of the economy, and the preservation of cooperation in the military-industrial complex.

The safeguarding of the security of the CIS's external borders is an acute question.

Many CIS states have been hit by illegal migration.

The reasons are clear:

— different visa regulations. Although it is understandable that, if internal borders are open, visa regulations should be the same;

— poor controls over the presence and movement of foreigners in the CIS states.

I would suggest that the Foreign Ministers Council and the Border Guards Commanders Council, in conjunction with other organs, make an operational study of these issues and submit proposals.

The recent events in Kizlyar, Pervomayskoye, and Trabzon confirm the truth that terrorism has no borders and needs to be combated through joint efforts. This is a comprehensive problem.

All interested departments in the Commonwealth countries need to coordinate their work in this area. We are prepared to examine corresponding proposals. Mercenaries have become a general problem. Citizens from our countries are fighting in "hot spots" in Russia and the other CIS states and in the states of the far abroad.

Within the framework of the Commonwealth states we need to urgently embark on the elaboration of a mechanism for combating mercenary soldiery.

What are the options?

First, to establish criminal liability for mercenary soldiery in national legislation. Russia has already included such an article in the draft new Criminal Code. Second, to develop within the CIS states a system of measures for combating mercenary soldiery.

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Third, to organize a system for cooperation between the special services and law enforcement organs in the Commonwealth states in the fight against mercenary soldiery.

We need to frankly recognize that humanitarian cooperation within the CIS is a neglected sphere. At the same time, its importance is impossible to exaggerate, given the centuries-long friendship among our peoples.

A new generation of our citizens is now gathering force. It is in our interests to ensure that they absorb the traditions of mutual respect for each other. Cooperation in cadre training is an effective way to achieve this.

As a first step I propose organizing such training on the basis of the Russian Civil Service Academy. I am sure that other Commonwealth countries will be able to come up with equally useful initiatives.

The integration process requires a further strengthening of the organizational foundations of cooperation. Russia, for instance, places great responsibility on the Russian Ministry for Cooperation with Member-States of the CIS. Similar state structures have been created in many Commonwealth countries.

We need to organize closer cooperation between such departments. This also applies in full to our countries' economics and finance ministries.

I believe that the measures to deepen integration in all the main spheres of cooperation should be reflected in a renewed Long-Term Plan for the integrated development of the CIS.

Let us instruct the IEC and the CIS Executive Secretariat to draw up a corresponding plan on the basis of proposals from the Commonwealth countries and to submit it to the next session of the Heads of Government Council and then the Heads of State Council.

Those, to my mind, are our priority problems for the coming year.

Let me mention one other probable one. I am proceeding on the basis that there are supporters of the strengthening of the CIS and the development of integration working in our countries' leading structures.

But, nonetheless, if you have any comments on the behavior of various Russian figures, please be frank. The main thing for me is to preserve the relationship of trust which unites us.

I hope you share my approach.

Now I would ask for your comments. [Yeltsin ends]

The CIS heads of state approved in the Kremlin the concept for the prevention and settlement of conflicts on Commonwealth territory. The essence of the concept is that it defines common approaches by the CIS states on the issues of preventing and settling conflicts, and the possibility of joint steps to resolve any disputes or differences that crop up; joint actions to prevent conflicts are being examined. This includes the implementation of multilateral peacekeeping operations.

The heads of the CIS countries advocated the weighty participation of the United Nations and the Organization for Security and Cooperation in Europe in settling conflicts on CIS territory.

A decision was also made to set up a Council of Commonwealth Internal Affairs Ministers, and the Statute on Collective Peacekeeping Forces in the CIS was ratified. It is proposed that the CIS Internal Affairs Ministers Council will promote the development of cooperation between Commonwealth countries' law enforcement organs. The Statute on Collective Peacekeeping Forces in the CIS defines the procedure for the implementation of peacekeeping operations in the CIS, and the composition, tasks, and functions of collective peacekeeping forces.

The session participants also took a decision to prepare and train military and civilian personnel from the CIS states to take part in peacekeeping operations.

The question of ensuring social and legal guarantees for servicemen, people discharged from military service, and their family members was also examined.

The CIS Heads of State Council adopted a decision to accelerate work to expand the Customs Union and set up a Payments Union.

Kyrgyzstan, Tajikistan, Uzbekistan, Moldova, and Azerbaijan are showing interest in taking part in the formation of the Customs Union. The question of joining the union is also being discussed in Ukraine.

The CIS heads of state also decided to extend the presence of the Collective Peacekeeping Forces in Tajikistan from 1 January through 30 June 1996.

Stop Press

Following the end of the session Boris Yeltsin held a news conference. Boris Yeltsin said that the main result of the meeting was the "final formation in the Commonwealth countries of a trend toward voluntary integration." He stressed that all 24 points on the provisional agenda were examined at the session and a decision was reached on each of them. Three additional issues were examined. The CIS countries reached agreement on these as well. Among the most important documents signed today Boris Yeltsin mentioned the agreement to

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strengthen the Payments and Customs Unions and the agreement on the concept for preventing armed conflicts and the spread of terrorism within the CIS countries.

KRASNAYA ZVEZDA Outlines Military Aspects of CIS Summit

MM2301120796 Moscow KRASNAYA ZVEZDA in Russian 23 Jan 96 p 1

[Report by Aleksandr Pelts: "Heads of State Confirm Course of Strengthening Commonwealth"]

[FBIS Translated Text] As KRASNAYA ZVEZDA has already reported, the latest session of the Commonwealth Council of Heads of State took place in Moscow 19 January. Originally there were about 20 items on the agenda. However, the CIS heads of state, if one can put it this way, "went beyond the bounds of the official program." Apart from those that were agreed on beforehand, by mutual consent they raised several important additional problems for discussion, and in all adopted corresponding decisions on nearly 30 questions.

After the conclusion of the summit meeting Russian President Boris Yeltsin, who chaired the CIS Council of Heads of State session, held a press conference. He noted first of all that the main outcome of the Moscow meeting was the final "formation of a trend toward voluntary integration among the Commonwealth countries." Among the most important documents signed, Boris Yeltsin mentioned the Agreement on the Strengthening of the Payments and Customs Unions and the Agreement on the Concept for Prevention of Armed Conflicts and the Spread of Terrorism on the Territory of the Commonwealth Countries.

The economic integration of the CIS countries was undoubtedly a key issue at the summit meeting. The Russian president noted that the Customs Union formed by Belarus, Kazakhstan, and Russia is an example of a fundamentally new type of relationship between CIS states. Even the initial results of such collaboration have demonstrated its considerable economic efficacy.

Here the chairman of the CIS Council of Heads of State stressed that it is no a question of merging the countries belonging to the union into a single state, which, incidentally, some of the participants in the meeting were afraid of. No state's sovereignty, independence, or national interests will be affected in any way, and economic integration does not presuppose a return to the former Union. However, Boris Yeltsin stressed in this connection that "each Commonwealth state would substantially strengthen its weight in the world community, especially in Europe, if it spoke from a coordinated position on the key questions of world politics. Many problems, for instance with the EU, would be tackled more effectively," he noted.

In general, assessing the results of the latest summit meeting, Boris Yeltsin noted that "following a period of parting of the ways, there was a breakthrough in favor of an integrated community of states." The numerous agreements signed in the economic sphere confirm this.

The expansion of economic and trade ties confronts the Commonwealth states with a number of new tasks, first and foremost in the sphere of mutual settlements. It is no secret, Boris Yeltsin noted, that the economic and financial situation of the Commonwealth countries varies. Therefore it is necessary right now to define the concept of a Payments Union, with the subsequent aim of a currency union.

Substantial attention was devoted at the summit meeting to problems of combating separatism and terrorism. "Recent events in Kizlyar, Pervomayskoye, and Trabzon confirm the fact that terrorism knows no borders and must be fought by joint efforts. This is a comprehensive problem," Boris Yeltsin stressed. In his opinion, all interested departments in the CIS countries should coordinate work in this area. Another common problem, apart from terrorism, is mercenaries. Citizens from various countries fight in the "hot spots" of Russia and other CIS states and in the states of the far abroad. Therefore within the Commonwealth framework it is necessary to embark without delay on formulating a mechanism for combating the use of mercenaries, Boris Yeltsin stressed. By way of possible means, he noted the following: establish criminal liability for mercenary soldiery in national legislation. Russia has already incorporated an article to that effect in the draft new Criminal Code. Boris Yeltsin also proposed the elaboration in the CIS states of a system of cooperation between the special services and law enforcement agencies. A practical result of the meeting was the decision to create a Council of Ministers of Internal Affairs of the Commonwealth states. Furthermore, the participants in the meeting approved decisions adopted at the conference of general prosecutors of Commonwealth countries held in Moscow on the eve of the summit meeting. In this connection the CIS Executive Secretariat was instructed to organize the coordination of draft documents prepared by the conference and to submit them to the next session of the Commonwealth Council of Heads of State. In particular it is a question of draft standard treaties between CIS members on the extradition of criminals and on the handover of persons sentenced to imprisonment to continue serving their sentences.

During the session of the Council of Heads of State, Boris Yeltsin stressed, great attention was devoted to

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military questions, too. Chief among these was the decision to create collective forces for peacekeeping on Commonwealth territory. The statute on the Collective Forces defines the procedure for conducting peacekeeping operations in the Commonwealth countries and the composition, tasks, and functions of these forces. The document also regulates questions of manning, rear services and material and technical supplies, the status and social and legal protection of personnel, and the forces' symbols.

In accordance with the statute, the CIS Collective Peacekeeping Forces (CPF) are a temporary coalition formation created for the period of implementation of a peacekeeping operation with a view to promoting the settlement of conflicts on the territory of any CIS member state. In order to carry out each specific operation the CIS Council of Heads of State adopts a separate decision at the special request of one or several states, but with the consent of all the conflicting parties.

During the meeting a decision was also adopted on extending to June 1996 the mandate for the CIS peacekeeping forces in Tajikistan. Here Boris Yeltsin noted that one condition for this decision was the commitment by Tajikistan's leader Emomali Rakhmonov to activate dialogue with the opposition. Henceforth peacekeeping operations within the CIS framework will take place after the receipt of a corresponding UN mandate.

Another important document which was signed during the summit meeting is the Agreement on Social and Legal Guarantees for Servicemen, Their Families, and Persons Discharged From Military Service. Until today, Boris Yeltsin noted, there has been much confusion on these questions. Things have reached the point where nobody could even bury a veteran of ours — apparently the appropriate documents did not exist.

One last important question from the "military package" at the Commonwealth heads of state meeting. The participants in the meeting unanimously approved the concept for the protection of common airspace. It sets forth the main guidelines for the building of a joint air defense system for the member states, the basic principles and military-technical questions for improving it, and the main guidelines for the training of their troops and air defense forces.

In order to implement the concept, provision is made in the first stage for the creation of a legal normative base ensuring the integrity of the airspace of the participating states and the reliable functioning of the joint air defense system, the improvement of the air traffic control system in the Baltic, Black Sea, and Caspian salients, the creation of air defense systems in Georgia, Kyrgyzstan, and Tajikistan, and the improvement of the air defense systems in Armenia, Kazakhstan, and Uzbekistan. In the long term the participating states have the aim of creating an integral aerospace defense system too.

The next session of the Commonwealth Council of Heads of State, Boris Yeltsin noted, will take place in Moscow 17 May.

CIS: ITAR-TASS Carries Press Review for 23 Jan

LD2301072796 Moscow ITAR-TASS in English 0659 GMT 23 Jan 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW January 23 (ITAR-TASS) — Today's Moscow-based Russian newspapers highlight the return of the ferry Avrasya and the consequences of the fighting at Pervomayskoye.

KOMSOMOLSKAYA PRAVDA frontpages an article headlined "The Turks have shown the Kremlin how terrorists should be dealt with".

The operation to free hostages held captive on board the Avrasya was carried out without a single shot, the newspaper observes.

The ferry has by now returned to Sochi.

It was Turkish security personnel, not the bandits, who became heroes in the Black Sea stand-off. They did not meet a single demand put forward by the bandits and rescued all the hostages. It was on a tough order from security service personnel that the terrorists discharged their Kalashnikov rifles by firing into the air before being handcuffed.

"Security agents arrested the wife and closest relatives of the gang leader three hours after the Avrasya was seized at the port of Trabzon. The relatives were given an opportunity to contact the ferry by telephone and were asked to bring Muhammed Tokcan to reason.

"The Trabzon scenario resembles the Basayev-planned operation. But this time the bandits have been deprived even of finding joy in showing off before the press. The matter is not that regulations are more stringent in that country. The point is that the attack on a Turkish vessel in a Turkish city was detrimental to the State interests of Turkey".

ROSSIYSKIYE VESTI on the Federation Council session opening on Tuesday.

After the session is declared open by President Boris Yeltsin, the meeting of the Upper House of the Russian parliament will be presided over by the oldest member of the House, President Akhsarbek Galazov of North Ossetia.

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IZVESTIYA points out that the current composition of the Federation Council, which has been formed according to a new principle, will considerably differ from that of the previous one.

To begin with, the Senators of the second convocation will lose their title of Deputy. From now on they all (these are exclusively the leaders of regional executive and legislative power bodies) will bear the title of Members of the Federation Council.

As of January 22, there were five vacancies out of 178 seats — Administration chiefs of Ivanovo and Chita regions and the leaders of the legislatures of Yaroslavl, Sakhalin, and Tambov regions.

At all events, one can confidently say now that the composition of the Upper House of the Federal Assembly has been renewed by two-thirds.

"At present, power here is fully in the hands of top leaders of regional elites. The influence of the Federation Council on the domestic policy of the country will incomparably grow in the run-up to the forthcoming Presidential elections, due to be held in June," IZVESTIYA points out.

IZVESTIYA on economic development data provided by the Russian State Committee for statistics.

The main economic results of the country's development in the past year are close to the forecasts made at the beginning of the year and, in some respects, even better.

Only achievements in the efforts to combat inflation are more modest than those promised by the government, writes news analyst Otto Lacis. Nevertheless, it was precisely the inflation downturn that is nearly the chief success of the economic policy last year. The summary consumer price index over the past year grew 2.31 times over — the lowest indicator since 1990.

SLUZHBA (Service) newspaper on the pyramid funds phenomenon.

It turns out that the phenomenon of such pyramid funds as the Vlastilina headed by Soloveva from the town of Podolsk in Moscow region is not an isolated case.

The newspaper, basing itself on data provided by the Office of Prosecutor-General of the Russian Federation, carries a story about a certain businesswoman Lyubov Ivanovna Sh. from Rostov-na-Donu, who acted almost according to Soloveva's scheme, promising 30 per cent in monthly dividends for rouble deposits and 20 per cent for dollar ones. Initially, the dividends were paid properly but when the ranks of depositors swelled, she disappeared with 3,000 million roubles, hoodwinking a multitude of co-citizens and even several commercial banks. The Vlastilina-type businesswoman is now on a Federal wanted list.

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Yeltsin to Foreign Investors: Democratic Reform To Stay

LD2201165296 Moscow Russian Public Television First Channel Network in Russian 1500 GMT 22 Jan 96

[FBIS Translated Text] [Announcer] Boris Yeltsin has said that he is likely to agree to stand in the presidential elections in June this year, though he confirmed that he would take a final decision on this matter on 13-15 February. The Russian president announced this today at a meeting with a group of foreign investors in Moscow.

[Correspondent] Meetings with foreign entrepreneurs are held quite regularly but this year the president received them for the first time. Yeltsin said that the main concern is what happens next in Russia.

[Yeltsin] I will probably agree to stand in the presidential elections. I keep saying probably, possibly, because I will be giving my final, so to speak, word around 13-15 February. I realize that if I agree [to stand], there will be a fairly tough fight.

[Kochetkov] Commenting on the recent government reshuffles, the head of state said that a tragedy should not be made of the departure of Anatoliy Chubays.

[Yeltsin] Chubays did not carry out privatization in Russia on his own. He was not on his own. But he did make certain mistakes on his own. He will be working for the good of Russia in the economic structures of either Europe or the world. So you will be meeting him again. And anyway, there are plenty of intelligent people in Russia.

[Kochetkov] According to Boris Yeltsin, the government will continue to work under the chairmanship of Viktor Chernomyrdin. The president said there were no disagreements between him and the prime minister.

[Yeltsin] We — the president and chairman of the government — in our work, sing one and the same song, as the saying goes here in Russia.

[Kochetkov] Russia has emerged from crisis, said the president. According to him, the country had never before been so close to conquering inflation. In the view of the head of state, the law on agreements on the division of production and the tax code dispatched to the Duma will improve conditions for foreign investment. In addition, the country has begun paying off its current debts. We are no longer debtors, said the president. In his words it was the communist Soviet Union which made Russia a debtor. The president appealed to the heads of foreign corporations to conquer the colossal Russian market, regardless of any internal political clashes.

[Yeltsin] The elections lie ahead. But I can say one thing for sure. Russia will not turn from the path of democratic changes, from the path of market relations, from the path of reforms. I can guarantee you that as President and he [Yeltsin points to Chernomyrdin on his right] can guarantee it as Chairman of the Covernment.

Russia: Yeltsin on Election, Reforms

LD2201165596 Moscow ITAR-TASS in English 1634 GMT 22 Jan 96

[By ITAR-TASS correspondent Gennadiy Yezhov and Artem Protasenko]

[FBIS Transcribed Text] MOSCOW, January 22 (ITAR-TASS) — The Western businessmen were convinced that President Boris Yeltsin was going to run for the Russian presidency next June, a member of the Consultative Council on Foreign Investments into the Russian Economy, told TASS on Monday.

At the same time, Yeltsin advised the foreign investors "not to attach much importance to the communist success at the State Duma elections."

The government will go ahead with its economic policy aimed at creating favourable atmosphere for attracting foreign investments. "We are determined to attract investments into the construction and manufacturing industries, as well as in the development of high technologies," Yeltsin said.

The Russian president dispelled their fears concerning the recent dismissal of Vice-Prime Minister Anatoliy Chubays saying that "Chubays will be assuming governmental offices and representing Russia at various international forums. However, besides Chubays, there are many other proficient experts," Yeltsin said.

Moscow Shows 'Great Satisfaction' Over 'Arafat's Election

LD220. 73196 Moscow INTERFAX in English 1626 GMT 22 Jan 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Jan 22 (INTERFAX) — Results of the elections in the Palestinian National Autonomy and Yasir 'Arafat's election to the head of this autonomy "have aroused a feeling of great satisfaction in Moscow," Russia's Deputy Foreign Minister Viktor Posuvalyuk said in an interview with INTERFAX Monday.

He said that in the near future Russia's leadership would send a congratulation telegram to Yasir 'Arafat.

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"These were the first truly free and democratic elections in Palestine's history," Posuvalyuk said.

"There were fears that the election process will be accompanied by demonstrations of extremism and attempts to put a spoke into the wheel," he continued.

But these fears were in vain. "The Palestinians have demonstrated a high level of political awareness and 'Arafat was able to overcome all reefs thanks to his authority and to yield a result which any politician, who had the courage to put his carrier for the trial of the people, could envy," Posuvalyuk said.

'Arafat has received "a very high credit as a result of the elections which undoubtedly, the Israelis, participants of the Middle Eastern peace process living outside this region and the Palestinians themselves will undoubtedly take into account."

Posuvalyuk described 'Arafat as "a well-tried and old friend of our country."

"He is one of a small group of people who said fine words not only in the period of the USSR existence but also in difficult for Russia times."

According to Posuvalyuk, "'Arafat has not betrayed friendship towards Russia, and we also were always true to it and did not stop saying that 'Arafat's leadership pursues a truly political course for the Palestinians."

"'Arafat has trusted and trusts in Russia and we have trusted and trust in him. The Palestinians' choice has proved this," he underlined.

He pointed to a high level of coordination during the elections between the Palestinians and Israelis.

Posuvalyuk also expressed satisfaction with the fact that "despite the poverty Moscow was able to find money and to send a group of its monitors to the elections in the Palestinian National Autonomy." "These are qualified specialists who will follow the situation in the autonomy and will contact with the Palestinian leadership," Posuvalyuk said.

Israeli Envoy: Russia's Primakov 'Can Contribute' in Middle East

LD2201182696 Moscow INTERFAX in English 1556 GMT 22 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 22 (INTERFAX) — The appointment of Yevgeniy Primakov as Russian Foreign Minister will not result in revision of Russia's policy vis-a-vis Israel, Aliza Shenhar, Israeli ambassador to Russia, said at a news conference in Moscow Monday.

Shenhar emphasized that, following the disintegration of the former USSR, Russian policy in the Middle East changed "from support of Arab extremists to a constructive dialog with all parties in the conflict."

"Even though Primakov was part of the Soviet foreign policy, he now sees Middle Eastern problems in a different light," she said.

Shenhar believes that Primakov, an expert on the Middle East, can contribute to a settlement in the region.

Shenhar welcomed Yasir 'Arafat's victory in the Palestinian elections. "Israel views the election results as a success. What is important now is whether 'Arafat can keep in check the extremist groups which oppose a peaceful settlement to the Arab-Israeli conflict," she said.

Russia: Yeltsin, Primakov Talk With France's de Charette

LD2201182996 Moscow Russian Television Network in Russian 1700 GMT 22 Jan 96

[from the "Vesti" newscast]

[FBIS Translated Text] French Foreign Minister Herve de Charette arrived in Moscow today. Russian President Boris Yeltsin received him in the Kremlin. Various aspects of Russian-French bilateral relations and European security problems were discussed. Issues connected with the G8 summit planned for April 1996, and matters concerning nuclear security were also examined. Boris Yeltsin reaffirmed the Russian leadership's adherence to the development of democracy and market reforms in Russia.

[Correspondent] It is a long time since such a big crowd of journalists visited the Foreign Ministry residence in the center of Moscow. The French foreign minister's first visit to Russia was, in principle, an important event, although no particular sensations were expected.

The former foreign intelligence chief's debut as Russian foreign minister was naturally the focus of general interest. Yevgeniy Primakov today held his first talks with a foreign minister from abroad. He emphasized that he sensed the Rambouillet spirit during the meeting with his French colleague. The French foreign minister spoke of the importance of bilateral relations and of his hopes that ties between Paris and Moscow will get stronger.

It was, at the same time, clear that Yevgeniy Primakov and Herve de Charette also discussed more complex issues today, behind closed doors. NATO and Bosnia remain painful issues in Russia's relations with the West.

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Replying to a question our "Vesti" bulletin put to the French foreign minister on to what extent the replacement of Russia's foreign minister Kozyrev, whose attitude to the West was soft, by Yevgeniy Primakov, who is more of a hardliner, will complicate the tasks France and the United States have set themselves to renew the NATO alliance, it was Yevgeniy Primakov who was the first to answer:

[begin recording] [Primakov] I want to say I am not a hardliner. I am trying to be just.

[Correspondent] His French colleague supported him.

[de Charette, in French, fading into Russian translation] I also think that he is rather a warm person. In future borders should not divide, but unite. [end recording]

De Charette on Russia's 'Concern' With NATO Expansion

LD2201202596 Moscow INTERFAX in English 1852 GMT 22 Jan 96

[FBIS Transcribed Text] Moscow, Jan 22 (INTERFAX) — Yevgeniy Primakov said on Monday his first trips in his new capacity as Russian foreign minister would be to the areas of the Nagorno-Karabakh and Georgian-Abkhazian conflicts.

He would also visit the Ukrainian capital Kiev and Belarusian capital Minsk and would take normal scheduled flights to go there, he said, answering a question by INTERFAX as he and his visiting French counterpart, Herve de Charette, talked to reporters in Moscow.

Answering another INTERFAX question, Primakov said it was he who had sent a recent invitation to U.S. Secretary of State Warren Christopher to visit Moscow and not President Boris Yeltsin as had been reported in the media.

Primakov said the date for Christopher's arrival had not yet been set but that the secretary of state was sure to come.

Speaking about talks between him and de Charette which preceded the meeting with reporters, Primakov said ways had been outlined to achieve "privileged partnership" between Russia and France, the essence of which was that each country knew the other's concerns and took account of them in its policy.

De Charette, for his part, said Paris regarded Russia as a "great European and world power" and would ignore none of Moscow's concerns in making its political decisions. He said that over the past few years Russia had covered an "enormous" distance to democracy and an "open economy."

"France welcomes the tremendous efforts that the Russian Government and the people of Russia have made in moving along that path. We believe that such efforts must be encouraged and supported in every way," he said.

Nor is France going to ignore Russia's concern over NATO'S planned eastward expansion, de Charette said. While the desire of Central and Eastern European countries to join the North Atlantic alliance must be respected, Russia's concern over it must not be disregarded either, he said.

Russia: Primakov Invites U.S. Secretary of State to Moscow

LD2201173496 Moscow ITAR-TASS World Service in Russian 1710 GMT 22 Jan 96

[FBIS Translated Text] Moscow, 22 Jan (ITAR-TASS) — Russian Foreign Minister Yevgeniy Primakov has sent an invitation to the U.S. Secretary of State Warren Christopher to visit Moscow. He said this to journalists today after talks with French Foreign Minister Herve de Charette. Primakov said that Russian President Boris Yeltsin expressed his readiness to meet the head of the U.S. foreign policy department if he comes to the Russian capital.

As already reported, Moscow and Washington are discussing the possibility of holding talks between the heads of their foreign policy departments in the immediate future. A fundamental agreement about that was reached in the course of a telephone conversation between Yevgeniy Primakov and Warren Christopher earlier this month.

Russia: Building Relations With United States Viewed

LD2201174396 Moscow INTERFAX in English 1626 GMT 22 Jan 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] Moscow, Jan 22 (INTERFAX) — Moscow "paid attention" to the strive to pursue the course for cooperation with Russia, to expand the field of consent voiced in the address of the U.S. State Secretary Warren Christopher in the Harvard University on January 18, says a statement of Russia's Foreign Ministry spokesman circulated in Moscow last weekend.

The statement pointed to the strive of the United States to look for mutually acceptable decisions in those spheres where there are contradictions in the interests of the United States and Russia and to support the democratic policy of the Russian leadership.

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"Given a special responsibility of our countries for the international stability it is necessary to build relations with the United States on the basis of an equal and mutually beneficial partnership and this also meets Russia's interests," the statement says.

Russia: U.S. Ambassador Pickering Interviewed

MM2201172896 Moscow KOMSOMOLSKAYA PRAVDA in Russian 23 Jan 96 p 7

[Interview with Thomas Pickering, U.S. ambassador to Russia, by Stanislav Kucher under the "At First Hand" rubric; date and place not given: "Ambassador Pickering Is Totally Frank Only With Clinton and His Wife" — first paragraph is introduction]

[FBIS Translated Text] From KOMSOMOLSKAYA PRAVDA's Files

Thomas Pickering, U.S. ambassador to Russia since 22 May 1993. Born 5 November 1931 in the state of New Jersey. Master of historical and legal sciences. During his diplomatic career, he has been U.S. ambassador to Jordan (1974-1978), Nigeria (1981-1983), El Salvador (1983-1985), Israel (1985-1989), and India (1992-1993), as well as U.S. permanent representative to the United Nations (1989- 1992). Holds the rank of career ambassador, the highest in the U.S. diplomatic service. Has twice been presented with the highest presidential awards. Married to Alice Stover Pickering; has two children and three grandchildren.

[Kucher] Mr. Ambassador, more than a month has passed since Viktor Chernomyrdin publicly accused you of "interference in Russia's internal affairs." The premier's displeasure was prompted by your assessment of the situation regarding the South Kurils — you stated that the disputed islands should belong to Japan. Do you now regret what you said?

[Pickering] At a press conference on Sakhalin I was asked to voice the U.S. position on the northern territories. Which I did — I said that the United States recognizes Japan's sovereignty over them. That has been my country's official position since 1956, and the Russian Government knows that very well. It is my job as ambassador to set forth the U.S. position, and it's a pity if Mr. Chernomyrdin or other officials took my words as interference in Russia's affairs. In my view it is not interference, but stating a fact: There are still questions on which our countries' positions differ. The main thing, I think, is not to exaggerate these differences....

[Kucher] How worried do you think Americans are about the Communists' election victory in Russia? And how do people in America feel in general about the fact that Gennadiy Zyuganov calls himself a committed Communist here, while in the West he presents himself as a straightforward social democrat?

[Pickering] The Americans in general know very little about Russian Communists. Those who are interested in events here see that the opposition to the present government has not increased particularly, not to say decreased, compared with the 1993 elections.

As for the Americans' attitude to the question of how many faces a politician can have (and this applies not only to Zyuganov), here I would remind you of Abraham Lincoln's words: "You can fool all of the people some of the time and some of the people all of the time. But you can't fool all of the people all of the time." Sooner or later, when a politician comes to power and has to take on the heavy burden of decisionmaking, he shows his true face. So things are simpler for the opposition — until such time as it takes its place at the helm of power. But the charm of democracy is that no government should remain at the helm forever.

[Kucher] Did the election results coincide with the predictions you and your colleagues made from Moscow?

[Pickering] I am highly satisfied with the degree to which our predictions were justified. Statistically, of course, we did not guess all the results down to the last tenth of a percent — especially in the case of the small parties (incidentally, the "Women of Russia" did not come up to our expectations). But as regards the major blocs, and also who would vote for whom in which part of Russia, we were right. We predicted the main results accurately — and that came in useful in Washington.

[Kucher] That means that you also warned Washington of the Communists' victory beforehand?

[Pickering] I don't think "victory" is the word. A result of just over 20 percent is substantial, of course, but victory means predominance either in the Duma or in the government. And in my view there is still a very big question mark over both of these. Judging from my recent talks with Communist Party leaders, they will of course do everything to consolidate their achievements, but at the same time they are already trying to reach agreements with possible allies. The Communists do not intend to rely solely on the votes gained.

[Kucher] What laws, according to your information, can be expected from the State Duma in the near future?

[Pickering] We are of course consulting various experts on this question. There is no unanimity as yet, but it can be assumed that the majority of laws will be adopted in the social sphere — it is necessary to meet the expectations of those who voted for the leading parties. But in general in the next five months these parties'

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attention will be focused mostly on the June presidential elections.

[Kucher] Will you share with us your personal prediction for June?

[Pickering] I can't. That is between me and my government.

[Kucher] Fine. Then I will put the question in a different way. I am sure you have noticed that at the crucial moment the democrats (or in your terminology, the supporters of market reforms) find it harder to find a common language with one another than the opposition forces do....

[Pickering] I think they differ not so much on questions of principle as on who should be chief, who should lead....

[Kucher] So could it not happen that on the eve of the presidential elections the opposition will manage to agree among themselves, while the reformists (Yeltsin, Yavlinskiy, and so forth) will not? For instance, the following scenario could develop: In the "semifinals" there are two "democrats" and two "oppositionists." The "oppositionists" make a compromise and one of them urges his electorate to vote for the other. But Yavlinskiy, for instance, forbears to give such a "gift" to Yeltsin....

[Pickering] I think your scenario should be kept in mind. Not because it is yours, but because it could certainly be close to the truth.

[Kucher] You mentioned that you meet with the leaders of various Russian parties and movements. Who does the initiative for such a meeting usually come from?

[Pickering] From the embassy. As a rule, the parties agree to our proposals to meet. Although there have been refusals — especially on the eve of the December elections.

[Kucher] January has been a sensation-packed month. One of these much-publicized events was the appointment of Yevgeniy Primakov as Russia's chief diplomat. How did you personally receive that news?

[Pickering] I have known Mr. Primakov ever since I came to Moscow as ambassador. He is unequivocally a man who is very well versed in international affairs. I have always found him pleasant to deal with.

[Kucher] How many times have you met, and in what circumstances?

[Pickering] In the past few years, both officially and unofficially, four or five times. Including dinners at my home; there, however, discussing foreign policy questions was not my priority.

[Kucher] How did the U.S. State Department take Primakov's arrival in Kozyrev's place?

[Pickering] Calmly. Boris Yeltsin said that he intends to maintain continuity in foreign policy. That is the fundamental question for the United States. So we are confident that Mr. Primakov and Yeltsin will work in very close contact, and I count on fruitful cooperation with the new foreign minister and the ministry under his leadership.

[Kucher] It is still too soon to evaluate the new minister's activity. All the same, do you think Primakov's policy will differ from Kozyrev's?

[Pickering] We shall see. But in any developed state foreign policy is determined by the president and his administration — that is how it has been in Russia from the moment President Yeltsin came to power, and that, as Yeltsin has promised, is how it will be in future. There is no such thing as an independent foreign policy in a state.

[Kucher] True, but for the United States Kozyrev was something more than a mere instrument in Yeltsin's hands. True, the president defines the aims and avenues, but the way these tasks are carried out depends on the minister.

[Pickering] Right, and I would be surprised if I was told that Primakov, while in his former post, was not involved in the formation of Russia's foreign policy. But.... I repeat, we have every reason to believe that continuity will be maintained in foreign policy. The United States very much wants this — after all, it is a guarantee of the development of our close relations.

[Kucher] Mr. Pickering, I know you have managed to see virtually the whole of Russia during your time in Moscow. They say you are a great lover of travel in general. Is that true?

[Pickering] In three years I have been to 49 of the Federation components — although, of course, I am not aiming to get round all 89. I try to maintain a balance: On the one hand, to go to new places and meet new people, and on the other hand to call on old acquaintances — political leaders, businessmen, scientists — in cities where I have been before. This year, incidentally, I hope to travel outside Russia, to other countries of the former USSR — I have never been to the Caucasus or the Baltic region. Yet these countries hold by no means the least important place in Russia's foreign policy, so it is very important for me to visit them and obtain first-hand information — I realized that during my trip to Central Asia last year.

[Kucher] Do you travel only in the line of duty?

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[Pickering] Yes, although sometimes it is possible to combine business with pleasure. For instance, in July I went to Baykal to see how an American environmental protection program is operating there. I loved Baykal — but again thanks to official need. I could not have gone there simply for the sake of it.

[Kucher] Where do you usually spend your vacation?

[Pickering] Outside Russia, because that is the only way I can "switch off" from work and forget the telephone. Last year I vacationed in the States. Another time I flew to Syria for 10 days or so — my sister is working there.

[Kucher] Do you always travel by car?

[Pickering] Almost always. Last year I drove over 17,000 km in Russia. Our "convoy" usually consists of two cars (the second in case the first breaks down): two drivers, my wife, a translator, and a couple of embassy personnel.

[Kucher] Do you have a bodyguard?

[Pickering] What is the point? It is up to the Russian authorities to ensure the ambassador's safety on Russian territory.

[Kucher] Have there been any "incidents on the road"?

[Pickering] Last year the car broke down on our way back from Central Asia. We swiftly solved the problem — we found a truck to take it back to Moscow.

[Kucher] You have traveled a great deal in Russia "in the line of duty." When you have finished work here as U.S. ambassador, will you come here "for its own sake"?

[Pickering] I very much hope so.

[Kucher] What will this depend on — the presidential elections in Russia?

[Pickering] More the presidential elections in the United States!

Russia: Clinton's Veto of Thurmond Defense Bill Viewed

MM2301114296 Moscow TRUD in Russian 23 Jan 96 p 4

[Report by Vissarion Sisnyev: "'Star Wars' Will Not Take Place"]

[FBIS Translated Text] Washington — Strom Thurmond, chairman of the Senate Armed Services Committee, has been tempered in the crucible of the cold war. He is known as an extreme right-wing Republican, a veteran of the Senate in which he has always taken an implacable stance with regard to everything Soviet. Elected chairman of one of the most important Senate committees at the age of 92, Thurmond has transferred his suspicion from the Soviet Union to Russia and is acting in his old spirit.

He is convinced that, whatever the present name of the country which opposed the United States for so many years, as long as its nuclear arsenal remains it will present a potential threat. They say that this conviction of his was strengthened even further after the Communists received the largest number of seats in the State Duma at the Russian elections. One way or another, the senator has used and is using all his influence to ensure that as much money as possible from the budget is earmarked for the Pentagon. And the "effective antimissile defense" program has become his favorite creature. He (and of course he is not alone) considers the present program to be inadequate for U.S. security.

These views have been reflected in the bill prepared by the Congress Republican majority "on the Defense Department's expenditure powers." An estimate of $265 billion was envisaged, including the creation by 2003 of a comprehensive ABM system, that is more than the single launch site stipulated by the 1972 U.S.-Soviet ABM Treaty. It is true that Russia has not been mentioned in the bill as a possible aggressor. A certain "third world" "radical state" featured but people in the know merely winked at each other over the matter.

Moreover, the bill has essentially released the military departments from the obligation to keep track of ecological conditions around bases, airfields, and depots and has released the army itself from all servicemen infected with the AIDS virus. This was motivated by the fact that under combat conditions there could be an urgent need for a transfusion of blood taken from a wounded man. But it was predicted in advance that the last point would displease the president, who in general has tried to legalize military service for homosexuals and, as we know, this infection is found primarily among this group. The hidden agenda here is that 4 percent of the votes obtained by Clinton were case by this category of voters and of course he does not want to lose that support in election year.

The prediction was fulfilled but the above-mentioned point was undoubtedly secondary. The first and main point is why the president used his right of veto for the 11th time — this is an attempt by those who think like Thurmond to disrupt the terms of the 1972 ABM Treaty. Clinton stressed that if the United States embarks on this path Russia will refuse to fulfill the first phase of the treaty on the reduction of offensive arms and to ratify the second. And that means that the two-thirds reduction

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of nuclear arsenals which the treaty envisages will not take place and colossal harm will be dealt to U.S. national security. Clinton's veto does not mean that the Defense Department, like other departments recently, will be without the means of subsistence. Clinton has already signed the bill on appropriations for it — for $243 billion.

Has Thurmond's bill been buried forever? Under the present president it will not be successfully revived. It is believed that this will hardly happen even if a Republican is elected president in November: This means of dealing with international agreements does after all, let us hope, belong to a bygone era.

Russia: Rethinking START-II: Moscow Wants Nuclear Teeth

MK2301074196 Moscow NEZAVISIMAYA GAZETA in Russian 20 Jan 96 p 2

[Report by Richard Ovinnikov, doctor of history, extraordinary and plenipotentiary ambassador in retirement: "Russian Security At a Critical Point. We Should Not Let Ourselves Be Run by the West With Regard to Further Cuts in Nuclear Deterrence Forces"]

[FBIS Translated Text] Currently the key national security problem of the Russian Federation is the woefully inadequate state of its ultimate defense weapon, that is, its nuclear deterrent or strategic nuclear forces.

The problem has three dimensions. The first dimension concerns its genesis. It was born out of unjustified unilateral concessions made in 1991-1993 in negotiations with the United States on offensive weapons cuts first by the Soviet and then by the Russian leadership. As a result, our strategic nuclear forces, which had hitherto maintained parity with the U.S. forces for two decades, were put at a disadvantage, because their effectiveness was undermined.

Second, this year, 1996, will be critical in this regard. We still have the possibility of adjusting and redressing the impermissible vulnerability of our nuclear forces by adopting a firm stance on the issue, but those overseas, on the contrary, are rushing to render it irreversible. Finally, third — the international atmosphere around Russia will start worsening drastically by this year's end. The reason is that this will mark the deadline by which NATO is due to announce its initial timetable for taking practical steps to advance to our borders, which would be tantamount to its military offensive.

Why do we find ourselves in such an unenviable position?

Heavy groundlaunched intercontinental ballistic missiles (ICMB) with multiple reentry vehicles have invariably constituted the backbone of our strategic nuclear forces. They accounted for 60 percent of the USSR's nuclear warheads. However, Mikhail Gorbachev gave his consent under START-I, signed in July 1991, to halve this class of our missiles — and Boris Yeltsin, fully to eliminate them under START-II of January 1993. The reason? Washington unilaterally declared these missiles to be a destabilizing factor.

The bulk of the U.S. nuclear deterrent is also made up of ballistic missiles with similar multiple reentry vehicles, but launched from submarines [SLBM]. Of course, the Americans declared this category of ballistic missiles to be stabilizing for mutual security, in particular because 50 percent of their warheads are submarine-launched. As a result, having accepted these definitions, we were forced to restructure our strategic nuclear forces to model them on the U.S. pattern, which places emphasis on SLBMs.

This was yet another trap set for us — immense material and financial costs. At a time when our economy had already begun crumbling! For this reason, although technically we appeared able to move the bulk of our remaining warheads to submarines, in reality the construction of new missile carrying submarines was halted back in 1990. Even the repair of the first of our seven "Delta-4" class submarines, which are already becoming obsolete, has dragged on for nearly five years now, since 1991.

Another point: Owing to a lack of fuel, funding, and so forth the number of our nuclear submarines on alert status (which formerly comprised about 20-25 percent of the overall fleet) has declined several-fold. This means that an overwhelming part of them are currently moored at stationary bases within striking distance. In other words, their vulnerability has increased in an unprecedented way to unacceptable levels.

It is urgently essential to revise the unfair START-II treaty imposed on us for the sake of restoring the equality of the traditional structure of our nuclear deterrence forces.

The United States, wishing to retain the its advantages, is betting on the irreversibility of the current disadvantageous situation for Russia. Washington is trying to achieve this objective by two methods. One of them is to prod Moscow to ratify START-II as soon as possible on these initial, biased terms. The other is to speed up its transfer to international control and the physical elimination of Russian nuclear warheads to be dismantled under this treaty's terms regardless of whether it will be ratified. In this case, even if START-II is finally revised to recognize our right to have heavy ICBM's, there will be nothing to arm them with or, at least, it will

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be difficult to do so. Corresponding warheads would be already either under international lock and key or destroyed altogether.

This second scenario of "pulling Russia's nuclear teeth" is worth dwelling upon in more detail. It is this scenario that will get priority consideration in the West should complications arise over the State Duma's ratification of START-II. In this regard, the meeting of eight heads of states to discuss nuclear security problems, scheduled to take place in the second half of April in Moscow, acquires crucial importance.

What is it that the Western powers want to bring the issue down to? A report of the well-known Trilateral Commission, dated June 1995 and devoted entirely to Russia, provides a vivid insight into their main objective. The report expresses general concern over the fate of Russian nuclear warheads that have been dismantled and stored in depots insofar as "internal instability in Russia" may place them into the hands of "criminal regimes or terrorists." But to all appearances this subject is only a priming, a prelude to the substantive part.

The actual concern of the West, as can be seen from the afore-mentioned report, is that these warheads "may once again become part of Moscow's nuclear forces if relations between Russia and the West drastically deteriorate." For this reason, Western powers are urged to do their utmost in advance so as to "eliminate permanently" the Russian warheads, "to deliver Russia from present or future temptations to use nuclear weapons once and for all." And the final conclusion: "The G-7 leaders should make precisely this matter the centerpiece of the agenda of their talks with Moscow."

At the same time, the report outlines the main snag: "The Russian Atomic Energy Ministry, in particular, constitutes an obstacle because it is effectively opposed to any cooperation with the West on this crucial problem." Further, it is said that "if the Russian government and, particularly, Boris Yeltsin do not reign in these nuclear obstructionists" from the Atomic Energy Ministry, the West will be unable to achieve its objectives. Shall we really heed foreign, not our own advisers yet again?

Russia: Technology Official Discusses Proliferation Issues

LD2201230296 Moscow Mayak Radio Network in Russian 0638 GMT 22 Jan 96

[FBIS Translated Text] At the end of last year Russia became a fully-fledged member of the regime of control over proliferation of rocket technologies [rezhim kontrolya za rasprostraneniyem raketnykh tekhnologiy], abbreviated to RKRT. It thus joined the 28 countries which support the policy of the regime. Our correspondent Inessa Alekseyeva interviewed Aleksandr Pekayev, chairman of the Russian Committee for Critical Technologies [komitet po kriticheskim tekhnologiyam].

[begin recording] [Alekseyeva] What role do Russia and the United States currently play in the regime of control over proliferation of rocket technologies?

[Pekayev] The United States was one of the founders of the RKRT and it plays a leading role there. It's no secret that, being the only superpower member of the regime, it sometimes tries to use the regime to attain its own national goals. As regards Russia, in my view it has not yet formulated its interests, although the fact that such a powerful state in nuclear and missile terms as Russia has joined the regime will without doubt change the balance of forces within it not to the advantage of the United States. In other words, Russia's participation will make it much more difficult for the United States to seek unilateral advantages.

[Alekseyeva] How would you now define the main point of why Russia should be interested in joining RKRT?

[Pekayev] Because unlike the United States, Russia is situated in the center of the extremely unsettled Eurasian continent, and CIS member-states have on their borders a large number of states which are capable of creating, or have already created, ballistic missiles which can hit targets in the Russian Federation and its allies. That is why Russia is logically interested in restricting outside assistance to these states.

[Alekseyeva] In your view, has the Russian government been showing sufficient attention to this problem?

[Pekayev] As regards government policy from the point of view of domestic aspect and the introduction of national legislation covering control over export in line with the requirements of the regime, yes, a great deal of work has been done here and quite strict lists of technologies whose export must be under government control have been drawn up.

As regards the external aspect, in my view it would be good if our organizations dealing with foreign policy developed more assertive tactics for Russia's participation in the regime. Russia could play a leading role in preventing a division of states into the chosen ones that are members of the regime and the second-rate ones that are not. It would be good for Russia to show some kind of initiative, for instance, in bringing China or Ukraine in the regime. And this would promote the Russian Federation's international standing which, unfortunately, has been undermined over the last few years. [end recording]

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Malaysia, Russia To Agree Details on Upgrading MiG-29's

LD2201182896 Moscow INTERFAX in English 1556 GMT 22 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 22 (INTERFAX) — Malaysia's military delegation headed by acting general secretary of the Malaysian Defense Ministry Tuan Haji Halil bin Hassan [name as received] attended a ceremony at the Moscow Aviation Industrial Association MIG devoted to upgrading MiG-29 interceptors. The works were carried out in the framework of a contract worth $560 million signed in June 1994. The contract provides for supply of 18 MiG-29 interceptors to this country.

In line with the contract all MiG-29 aircraft assigned to the Malaysian air force will be subjected to a stage-by-stage modernization in the region of their stationing.

The modernization includes equipping the aircraft with an aerial refueling system meeting NATO standards, increase of armaments payload up to 3 tonnes (by strengthening the wing surface), mounting of more modern arms and more powerful radar developed by the scientific-industrial association Fazotron (Moscow) which ensures simultaneous shooting of two air targets and tracking of 10 enemy aircraft. The interceptor's combat efficiency will be greatly increased thanks to these modernizations.

In addition, Malaysia's military delegation showed interest in modernization works not provided by the contract, in particular, in equipping the interceptors with highly-precise Russian air-to-ground rockets.

Russia: Missile System Deliveries To Offset Debt to Finland

MM2201155096 Moscow ROSSIYSKAYA GAZETA in Russian 20 Jan 96 p 15

[Report by Sergey Ptichkin: "We Will Repay the Debt With Weapons"]

[FBIS Translated Text] The scheme for repaying the former USSR's debts to Finland has aroused great interest, and not only in Scandinavian countries.

It is known that the Soviet Union was the major supplier of arms to the Army of the Republic of Finland. For purely objective reasons the volume of military-technical cooperation between Finland and Russia started to decline. It has to be said that, despite the intergovernmental agreement on the partial settlement of the former USSR's debts to the Republic of Finland by way of deliveries of special equipment, which was signed back in the spring, until recently it had not been decided just what would satisfy the needs of Finland's Armed Forces at the turn of the millennium.

Various options for deliveries of special equipment were examined, ranging from traditional artillery systems and small arms to the latest weapons systems. In the end they plumped for the Buk-M1 antiaircraft missile system.

This system is one of the latest Russian developments and was first demonstrated at the 1992 Moscow Air Show, immediately attracting the close attention of many countries' military specialists. In terms of the most important specifications and performance characteristics, the Buk-M1 surpasses all foreign analogues in existence today. Finland will be the first foreign state to have its skies defended by these Russian antiaircraft missile systems, the best in the world.

This is what Leonid Malkov, deputy chairman of the Russian Federation State Committee for Military-Technical Policy, says about the importance of the agreement between the Russian Federation and the Republic of Finland:

"This agreement is equally advantageous to both countries. Finland ensures the guaranteed defense of its airspace, while Russia's industry wins a profitable order. In addition, prospects are opened up for long-term military-technical cooperation in the sphere of air defense. We hope that the delivery of a modern system like the Buk-M1 will have a positive effect on relations between Finland and Russia. We are prepared to examine questions of deliveries of other very modern weapons systems to Finland.

"The attention of all the Scandinavian countries, as well as those that are traditionally geared to our country for arms purchases, was riveted on the talks which we held in Helsinki. We have already received a number of interesting proposals, which we will examine. Undoubtedly, if this agreement on the partial settlement of debts by means of deliveries of the latest special equipment is realized in full, this will be a significant breakthrough in the sphere of all of Russia's military-technical policy."

Russian Ministry Criticizes Estonia's Chechnya Statement

WS2301100496 Tallinn ETA in English 1923 GMT 22 Jan 96

["News Release"]

[FBIS Transcribed Text] Tallinn, January 22 — Senior official of Russian Foreign Ministry on Monday [22 January] criticized the statement of Estonian Foreign Ministry which condemned the way Pervomayskoye hostage crisis was solved.

The official told ETA the crisis had been a tragedy and that the statement of Estonia showed no wish to move towards a solution of the situation in Chechnya. He warned the statement might be harmful to Estonian-Russian relations.

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Political Issues

Doctors Ban Yeltsin From Playing Tennis

LD2301103696 Moscow ITAR-TASS in English 0902 GMT 23 Jan 96

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW, January 23 (ITAR-TASS) — President Boris Yeltsin was asked by journalists after his speech at the opening of the first meeting of the new Council of the Federation here today whether he had really advanced his candidature for the second presidential term. The Head of the Russian state said in reply: "I am not ready to speak about it yet, because I have to wait a little in order to gain strength. The doctors do not even allow me to play tennis yet. But I will soon become stronger and then we shall see."

Yeltsin Seen Making U-Turn in Economic Policy

MK2301073996 Moscow NEZAVISIMAYA GAZETA in Russian 20 Jan 96 p 1

[Report by Sergey Mitrofanov: "Reform Goes On, But in the Opposite Direction. Aleksandr Livshits Comments on Presidential Edicts"]

[FBIS Translated Text] Yesterday's news conference by presidential adviser Aleksandr Livshits was preceded by expectations of new government appointments and a policy change from austere monetarism to the state management of the economy. The expectations came true by half: No appointments were made, but the presidential staff unveiled a program that revises its economic policy in a revolutionary manner. Yet, since this program also turned out to be reformist in a way — with regard to the reform that had been carried out before — reform per se does not end at this point at all, according to Aleksandr Livshits.

The crux of transformations proposed by the president is as follows. First, Edict 226, issued last January, restricting attempts by various ministries and agencies and the State Duma to tinker with the federal budget, was extended to 1996. Second, the president is planning a large-scale intervention in the budget because the program calls for a "longterm debt rescheduling" of budget-financed organizations.

In layman's terms, this means that state enterprises which under current economic conditions are unable to repay their old debts, but are capable of paying current taxes, will be allowed to ignore the old debts because the program calls for the state debt to be paid off within seven and a half years, during which time either "the camel will die, or a new emir will be elected."

In Aleksandr Livshits' words, fears that "something will happen to the federal budget" following such decisive actions by the president are completely natural, but analysts predict that the resources thus freed will be invested in the economy, so that the advantages of industrial growth will offset the arrears of budget revenue that would not have been collected anyway. The Finance Ministry and the State Tax Service have both agreed upon the program.

The second revolutionary presidential edict addresses delays in the payment of wages, an unmitigated disaster responsible for the extremely modest success of "[Russia Is] Our Home" and the democrats in the State Duma elections. So, from now on wages are ordered paid. The presidential edict envisions personal responsibility of chiefs at all levels, who will be fired even "for one-time breaches," and also officials from the federal authorities, orders on whose dismissal the president will sign immediately. From now on it is prohibited to place budget funds in deposit accounts if there are arrears of unpaid wages.

The presidential edicts pay particular attention to the joint-stock companies whose controlling blocks of shares are held by the state. There have been incidents where chiefs of such companies delayed the payment of wages to their employees, simultaneously pulling down unlimited salaries themselves. Commenting on the situation, Aleksandr Livshits was emotional: "It's time to use some muscle! Frankly, they deserve a punch in the nose." In this particular case, "the punch" means that the edict obliges chiefs of joint-stock companies to hold within a month a meeting of shareholders to consider the question of electing new management.

"I often think about the travails of privatization," Aleksandr Livshits said on his own behalf. "If the state-held shares were greater, the thief could have been booted out, but now the thief responds that he is a free man in a free country."

So decisive actions by the president, which can only be compared to his mounting on a tank outside the White House, albeit this time in the economy, are set to elicit a mixed reaction from the liberal circles because they indicate that the inflationary doctrine is gaining the upper hand. One thing is clear, however: the presidential team is seriously going to win the support of civil servants and industrial enterprise directors — a part of the electorate that is undoubtedly more numerous and influential than the mythical 40 million private owners.

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Yeltsin Discusses Economy With Foreign Investors

LD2201172196 Moscow INTERFAX in English 1556 GMT 22 Jan 96

[FBIS Transcribed Text] Moscow, Jan 22 (INTERFAX) — Russian President Boris Yeltsin discussed the state of the Russian economy at a meeting with foreign investors in Moscow Monday.

"Russia has overcome the crisis," he said.

According to Yeltsin, the monthly inflation rate totals 3 percent, compared with 33 percent three years ago.

"The country has pursued a tough economic policy, but we are lagging behind in the social sphere and we shall now improve the situation," said Yeltsin.

"The major thing is to ensure a tough execution of the budget," he said.

For the first time Russia started the new year with a budget that has been confirmed, and has a comparatively low deficit (less than 4 percent of the GDP).

The budget deficit will be covered exclusively by non-inflationary means, according to Yeltsin.

"We have never had such smooth and coordinated work between the government and the Central Bank of Russia, not to mention the government and the president. We have no contradictions. As they say in Russia, we are playing on the same pipe," Yeltsin said.

There has been no mechanism in Russia to control prices for production by natural monopolists. Now we have established this control. Russia "has never been so close to victory over inflation as it is now," Yeltsin said.

He intends to force the lowering of interest rates on credits.

"We shall not advance if there is no lowering of interest rates after the lowering of the inflation rate. Only a cheap credit can give Russian industry second wind," he noted.

The 1996 budget provides for allocating a large amount of funds for investments' share financing.

"These assets will be forwarded for highly efficient rapidly-repayable projects. It is necessary to shepherd them, not squandering for various needs of the moment," Yeltsin continued.

"We shall successively pursue the course of privatization, simultaneously establishing efficient control over state-owned blocks of shares. We shall improve the shares-for-loans auctions given the positive and negative experiences of 1995 and use other forms of state property management."

According to Yeltsin, "People became nervous" in Russia suspecting that "property is sold to foreigners. We have stopped this process for two or so months. We have granted an opportunity to the people to understand and to calm down. We shall continue these actions but the state will retain 51 percent of shares."

"The slogan to sell everything that we can and at any price does not suit us. We have done this for almost a year and a half. That is why there were reasons for staff re-arrangements," he said.

"We adhere to another slogan, to manage state property reasonably while pursuing maximum efficient privatization," Yeltsin said.

Chernomyrdin Sees Increasing Foreign Investments

LD2201181896 Moscow INTERFAX in English 1556 GMT 22 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 22 (INTERFAX) — Foreign investments in Russia's economy will increase every year, Russian Prime Minister Viktor Chernomyrdin said in Moscow Monday. He promised the Russian government will take into consideration foreign investors' wishes concerning legislative amendments.

In his final word at the government's Consultative Council for Foreign Investments, Chernomyrdin defined the investment priorities as perfection of the copyright law and tax legislation, payment of interest on insurance deposits and making construction and installation equipment exempt from value added tax.

Chernomyrdin said the perfection of investment legislation will be the government's top priority. He stressed the government's intention to cooperate constructively with the State Duma in this area.

Among legislative priorities, Chernomyrdin highlighted the adoption of a new tax code. He stated "the new tax legislation will not affect foreign investors."

Regions of Russia have wide prospects for investment cooperation, Chernomyrdin said. He called on the foreign members of the council "to thoroughly consider proposals by Russian regions which want to hold an international meeting in the country, like the World Economic Forum in Dallas."

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Chernomyrdin, Ministers Reject Business Licensing Bill

MK2301060796 Moscow KOMMERSANT-DAILY in Russian 19 Jan 96 pp 1-2

[Report by Nikolay Podlipskiy: "The Premier Neglects the IMF"]

[FBIS Translated Text] "We are not France, and we are in a position to subject a far greater number of entrepreneurs to the licensing procedure." With this statement Viktor Chernomyrdin closed yet another heated debate between his subordinates as to which types of business activity should be subject to special government licensing and which should not. The Economics Ministry's aspiration to reduce this list as much as possible has long, and not unsuccessfully, been opposed by sectoral ministries, which find the issuing of licenses a fairly lucrative business. True, the Economics Ministry is not totally unselfish either: Relaxing the licensing regime is one of the conditions for granting Russia western credits.

It is difficult to count the number of times the government has addressed the problem of business licensing. The liberal economic wing in the government believes, not without reason, that it is high time to reduce the number of business activities subject to special licensing: Both local and federal authorities have turned this formality into an additional and rather cumbersome tax. Exactly a year ago, the government solemnly announced that it had finally made the first step: A government decree nearly halved the list. During the past year, however, everything was back to square one, and the Economics Ministry decided to work out a special law on this subject.

At first it was planned that a draft law "On Licensing Certain Types of Activity" will be submitted to the government by one of the deputy economics ministers. Apparently feeling that a deputy minister's authority might not be enough, however, the minister in person decided to stand up for the bill. Yasin's misgivings did not fail him: Even if there were supporters of the draft in the hall, they sat far from the microphones and could not support the clearly sinking minister. As for the sectoral ministers, they said in one voice: The law is no good.

It is no good, first, because after a reduction in the number of business activities subject to licensing, the Russian market will be inundated by, for instance, incompetent organizers of competitive fishing. Everybody had something to say about this. The Russian State Press Committee pointed to the danger of uncontrolled illegal] publishing and the collapse of Russian printing industry. Yefim Basin, construction minister, called for licensing any construction activity (it would be interesting to watch officers catching Ukrainian contract laborers building dachas in Moscow Oblast). The unexpectedly bereaved representative of the State Committee for the Defense Sectors of Industry (according to informal reports, today the president has signed an edict dismissing the committee's chairman, Viktor Glukhikh) argued for the need to tighten control over arms producers.

Yet, other arguments by opponents of the law proved the most substantive: The trimming of the list of business activities subject to licensing will lead to a sharp decline in revenues for license-issuing organizations. None of the speakers sought to conceal that financial considerations are paramount. Meanwhile, the draft law provides for a basic revision of the license fee payment procedure.

The Economics Ministry proposes establishing a limit on the license fee — 150 times the minimum [monthly] salary — and a term for which it may be issued: not less than three years. Moreover, revenues are to be transferred to the budget, which for its part will meet the costs involved in license issuing. The skepticism of the license-issuing ministers (you will never see any compensation from the budget) was supplemented by the fact that the current procedure allows them not only to meet their costs but also obtain good profits: Sometimes licenses have to be renewed every six months.

So, Yevgeniy Yasin's fears were not groundless: The majority opposed the draft. He erred elsewhere: in his assumption that his authority would be enough to repel the opponents' attacks. Furthermore, it was acutely felt that Yasin desperately needs Anatoliy Chubays's support: Earlier, it was often the case that the first deputy premier's last word was decisive for Viktor Chernomyrdin. Yesterday Yasin was alone, and he definitely lacked confidence. He countered all objections with different words but the same message: Licensing has nothing to do with ensuring security; this is only preliminary control, whereas the authorities' excessive zest has become a serious obstacle to new producers' appearing on the market. Yasin also tried to substantiate his position by citing developed countries, where comprehensive licensing is not normally used: France applies licensing only to six types of business activity and Germany to 15.

So, it was up to the prime minister to decide the fate of the draft. On one scale was the virtually unanimous opinion of the ministers, and on the other, considerations of a more general nature. The fact is that the licensing situation is very closely watched by international financial organizations, which predicate their assistance to

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the government, among other things, on a maximum loosening of the regime. Viktor Chernomyrdin made a decision: It is not often that the government defies the IMF's opinion so openly. Yet, if the ministers think that Russia is not France and may not be compared to it, so it will be. The premier ordered for the law to be sent back for reworking, advising the Economics Ministry not to press too hard in cutting the list.

Chernomyrdin Views Chubays' Dismissal With 'Heavy Heart'

LD2201175096 Moscow INTERFAX in English 1708 GMT 22 Jan 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Russian Prime Minister Viktor Chernomyrdin says he has perceived with "the heavy heart" the news about the resignation of his First Deputy in charge Anatoly Chubays who "has done a lot for the emergence of the first indications of financial stabilization and economic recovery."

In a speech to the meeting by the consultative council for foreign investment on Monday, the prime minister pointed to Chubays's contribution to opening effective cooperation with the international financial community.

At the same time Chernomyrdin blamed Chubays for what he called "unacceptable pay delays and some mistakes in carrying out the cash privatization, something President Boris Yeltsin has repeatedly drawn attention to." He said the president might well be understood and his decision accepted.

The prime minister said the government was in the face of a similar situation two years ago after losing a number of figures with whom western public opinion linked the continuance of Russian reforms. He said as shown by later developments, "not only did this policy stay intact, but it has also strengthened yielding genuine results." "And so will it be, " he said.

The prime minister said that important as the professional or personal qualities of an individual may be, it was the logic of history which determined the future of any country. "This logic is similar to the civilized world as a whole, and therefore, there can be no reversal to the past," he said.

In this connection he expressed the hope for effective cooperation with the new parliament on the basis of sensible compromise.

The prime minister said the first sessions of the new parliament indicated the possibility of cooperation between factions whose held intransigent positions during the election campaign. This in itself, he said, gives grounds to suggest that the searches of sensible compromise will be become the main law of the life of Russian legislators in the next four years and raises hopes for effective cooperation between all government branches.

At the same time the prime minister takes no comfort about any optimistic forecasts or that the government policy of economic and financial stabilization will always be met with applause. On the contrary, he spoke of a struggle ahead including the implementation of the federal budget approved last year.

The prime minister said such a scenario of events was "a normal practice for a normal country." He spoke of hard but routine business lying ahead saying the government had learnt something about it in recent years and could act accordingly.

Chernomyrdin said curbing prices was the government's main priority this year. The 1996 program provides for curbing monthly inflation by less than 2% which can help resolve the payment crisis, towards cheaper credits and the start of a massive flow of industrial investment.

In response to criticism of the government's anti-inflationary policy, the prime minister admitted that "being tough is hard and very unpopular, particularly in the year of presidential elections, but there is no other alternative." He said the government responsibility lay exactly in teaching and if need be, forcing the country to live as it earns so that real incomes not money supply increase."

The prime minister denied that the latest shake up was linked to last month's voting results saying none of the recent changes had any political overtones. He described the measures as the natural process of a cabinet renewal. He said even if taken individually, the new ministers were professionals having nothing to do with the interests of parties or movements.

Among other government priorities, Chernomyrdin pointed the need of conducting a policy aimed at stimulating economic growth while investment was a vital condition to achieve this.

The government predicts a 4% rise in investment this year with 70% of investment made up of industrial resources, about 7% of public funds intended for housing construction and 3% of secondary emission and commercial credits. "We expect foreign investment to rise up to 5%," Chernomyrdin said.

He said government expenditure on the national economy would make up 1.5% of this year's GDP.

The prime minister said the execution of the budget was a vital factor for the formation of a conducive

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investment climate. The budget deficit set up at 3.85% is to be covered at the cost of external financing and issue of government securities, he said.

For his part, First Deputy Economics Minister Yakov Urinson said the government was planning an annual double increase in foreign investment in the next five years. IF NOTE: Last year's foreign investment into Russia stood at about $2 billion to $6.7 billion made in all years of Russian reforms.

Urinson said the main flow of western investment was into the energy sector, retail trade, financial and consultancy services and food industry. He said the government thought it necessary to get a substantial rise in foreign investment into high tech sectors and defense industries falling under conversion.

Russian Deputy Economic Minister Rues Chubays' Exit

MK2301060496 Moscow NEZAVISIMAYA GAZETA in Russian 19 Jan 96 p 2

[Interview with Sergey Vasilyev, Russian deputy economy minister, by Andrey Kolesnikov on 17 January; place not given: "'Chubays Did Not Leave His Post of His Own Free Will.' Deputy Economy Minister Sergey Vasilyev Believes That the Team of the Country's Chief Privatizer Is Not Inclined To Follow in Their Leader's Footsteps"]

[FBIS Translated Text] Recently Anatoliy Chubays often recalled with gratitude his team that is concentrated in the government staff and a number of economic departments and comprises some unique professionals. One of them is Sergey Vasilyev, Chubays' colleague in a group of young Leningrad neoliberal economists, created in the early 80s, former director of the government Working Center for Economic Reforms, and now deputy economy minister. How will Chubays' team behave after the resignation of its leader, and what can be the economic consequences of the presidential decision to part with the last symbolic reformer figure? This became the subject of an interview with the deputy minister which took place on the following day after the first deputy premier's resignation.

[Kolesnikov] A few hours ago your former colleague in the government, Andrey Illarionov, said that Chubays's team should resign en bloc, that this would be the politically correct way out....

[Vasilyev] So far no collective voluntary resignation has been successful either for those who resigned or for the economy as a whole. Neither Gaydar nor Fedorov achieved anything by their departure in 1994, especially Fedorov. Even Yavlinskiy's resignation in 1990 was absolutely wrong.

It is very important to understand that Chubays did not leave his post of his own free will, even though he tendered his resignation. The edict was ready well before 16 January, and there were several options of the edict.

As for the Chubays team, we do not intend to resign and thus please our enemies.

So far, however, it is premature to make conclusions. For example, did the era of reform end with Gaydar's departure in 1992? No, reform continued. Continuity was maintained by deputy premiers responsible for the economy — Gaydar, Fedorov, Shokhin, and Chubays. There is no basic difference between the 1992 and 1995 policies, although different tasks were being addressed.

[Kolesnikov] Who will be appointed in place of Chubays?

[Vasilyev] Aleksandr Livshits is among the most realistic candidates. If he is appointed, it would certainly be difficult to talk about a change of course. Although, in any event, this is a clear symptom, an indicator of potential changes in economic policy. However, if we analyze the performance of all deputy premiers who oversaw the economy, it will be perfectly clear that Chubays is head above all others — not in the academic but in the organizational sense. None of them could have done what Chubays has done. In this respect he has no match in Russia. He was in the right place at the right time. And his departure is certainly a big loss. There are some problems and questions which could be handled only by Chubays. And now there is nobody to tackle them....

True, in effect Chubays has managed to "achieve" the stabilization.

[Kolesnikov] But contrary to his own statement, these changes in the economy are after all reversible....

[Vasilyev] They are. But the experience of other countries shows that such achievements have a value for any political regime.

[Kolesnikov] What will be the reaction from international financial organizations accustomed to seeing Chubays as a negotiating partner?

[Vasilyev] The situation will be very difficult. It is an illusion that serious success at the negotiations can be achieved in Chubays' absence. The three-year credit program was drawn up only with him in mind. Nobody else will be able to carry it out. It would be difficult even with Chubays to do this, but without him.... Neither the Russian government nor the International Monetary

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Fund will benefit from a program which will fail from the start. So, it is quite likely that we shall not have a three year program until the second half of 1996.

[Kolesnikov] In other words, the budget can be seriously affected....

[Vasilyev] Not simply affected — this money may not be forthcoming at all. If some intermediary agreements with the IMF are still possible, the World Bank may not give any money at all. Although again this depends on how the internal political and economic situation will be shaping up.

[Kolesnikov] Did the issue over the "underfinancing" of the Krasnoyarsk combine harvester plant affect the question of Chubays' resignation in any way?

[Vasilyev] Certainly not. This is much ado about nothing. Nobody ever gives money without corresponding substantiation. This was not the case under Communists and it is especially impossible today. You present a feasibility report and financial assessment, you get the money. Otherwise — why should the government provide any money?

Gaydar Resigns From Russian Presidential Council

LD2201172896 Moscow INTERFAX in English 1556 GMT 22 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 22 (INTERFAX) — Chairman of Russia's Democratic Choice Yegor Gaydar has sent a letter of resignation from the presidential council, his aides told INTERFAX.

"Regrettably, the events of recent week make my stay on the presidential council impossible. Please accept my resignation. Sincerely yours, Yegor Gaydar," reads the letter.

Gaydar Explains Break with Yeltsin; Discusses Elections

LD2201210296

[FBIS Report] Moscow NTV in Russian at 1635 GMT on 22 January carries in its 30-minute "Hero of the Day" program a studio interview with Yegor Gaydar, leader of Democratic Choice of Russia, by anchorman Yevgeniy Kiselev.

Asked what he will do if President Yeltsin does indeed decide to run in June, Gaydar says that Democratic Choice has decided to hold consultations with other democratic forces. "The situation is very unpleasant, of course," Gaydar says. "We really did very much want there to be one single candidate from the moderate democratic forces whom we could support. If Boris Nikolayevich stands, then unfortunately that means that we will not manage to put forward such a candidate." Democratic Choice supporters, Gaydar says, cannot vote for Yeltsin. Democratic Choice, he adds, will decide on its presidential candidate, after discussion and "consultations with potential partners in the democratic camp. The only thing I can say at present is that I categorically rule out that it will be your respectful servant." He will not stand himself, he says, "because Gaydar today cannot be a personality who unites the democratic forces. For a whole range of reasons, because — if only because of lies and slander, quite a lot of people link their ills and deprivations with me. This is a fact of political life, I don't like it, it is indeed based upon false information, but it is a fact and a political reality and needs to be taken into account."

Prompted by Kiselev, Gaydar says that Anatoliy Chubays is also ruled out for the same reasons.

Asked whether Grigoriy Yavlinskiy would be an acceptable presidential candidate for Democratic Choice, Gaydar says his party is perplexed by Yabloko's dialogue with the Communist Party, although he appreciates that there are some points in common between the programs of the two parties. Yabloko maneuvered in the Duma over the voting for the Duma speaker in order to ensure that it got the chairmanship of two key committees, as Gaydar could understand, but any cooperation between Yabloko and the Communist Party rules out any alliance between Democratic Choice and Yabloko. The final decision on whether Yavlinskiy would be an acceptable presidential candidate is up to Democratic Choice supporters in the regions, Gaydar says, "but frankly speaking, I think it would require very serious political steps on Yabloko's part."

Pointing out that Gaydar's reply here is almost exactly what Yavlinskiy said about cooperation with Democratic Choice, Kiselev asks Gaydar why he supported Yeltsin for so long. Gaydar says he felt it necessary to make the maximum use of his potential for influencing the president, as he tried to do over the war in Chechnya. "I was in fact well aware what a big struggle was going on around the president. I must honestly say that the president of 1991 and of the beginning of 1996 are in my profound conviction two different men, two very different men with different entourages, with different means of communication and different reactions. A big struggle has been going on for these two different Yeltsins, and I felt it necessary to take personal part in this battle, for as long as I had at least some hope of defending the Yeltsin of 1991." No such hope now exists, Gaydar says, prompted by Kiselev.

Asked whether he thinks the presidential elections might be called off, Gaydar says there is a risk that this

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might happen, but adds that this would be the most dangerous and unpopular step "which would put make the authorities wholly dependent upon the support of the power structures." He refuses to be drawn when pressed by Kiselev to comment further, saying he cannot judge on something he knew nothing about.

Gaydar says there was certainly a behind-the-scenes agreement between Russia Is Our Home and the Liberal Democratic Party of Russia, as was evident to all from the voting maneuvers, but he knows no details.

Pressed by Kiselev to suggest possible presidential candidates, Gaydar says any such candidate has to be a well-known figure from the Moscow milieu, but adds there are no outstanding figures on the horizon. He does not specifically rule out Aleksandr Solzhenitsyn, but excludes Mikhail Gorbachev as being unacceptable to all sides.

Concluding the main section of the interview, Kiselev asks whether Gaydar's party would indeed be prepared to back Viktor Chernomyrdin as a presidential candidate, if he decides to stand, as Gaydar has stated before. Gaydar confirms that Democratic Choice would be prepared to consider Chernomyrdin, adding: "I do indeed think that there is a pretty big possibility that Chernomyrdin will be dismissed. Chubays' dismissal means an abrupt exacerbation of the economic problems the government is coming up against, and there will be a need for somebody else to be held accountable before the elections, I am sure." Gaydar refused to speculate further.

In the final quick-fire question section of the interview, Kiselev asks Gaydar: "So, if I have understood you correctly, your break with Yeltsin is final and irrevocable?

[Gaydar] "Yes.

[Kiselev] "You can imagine no situation in which Democratic Choice of Russia could go back to a position of supporting the president?

[Gaydar] "I can imagine no situation in which I could return to a position of supporting the president.

[Kiselev] "Do you consider it possible that the elections may not take place?

[Gaydar] "I think it possible that such an attempt might be made, though I rule out absolutely that it could succeed.

[Kiselev] "You think it is technically impossible?

[Gaydar] "I am convinced ofit.

[Kiselev] "Is there a possibility of an alliance between you and Yavlinskiy? I understand from what you said that this was not ruled out altogether, nevertheless?

[Gaydar] "No, we do not rule out the possibility of such an accord. But in the first place, we have to discuss it carefully ourselves, and in the second place, we need to see what Yabloko itself will do, and how far it will be prepared to act in concert with the communists on fundamental issues."

Gaydar concludes by saying that his party will be announcing its presidential candidate on 17 or 18 February.

Seleznev Sees 'Little Chance' for Yeltsin in Elections

LD2201201896 Moscow INTERFAX in English 1852 GMT 22 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 22 (INTERFAX) — Gennadiy Seleznev, newly elected Communist speaker of the Russian lower house, believes that Boris Yeltsin has little chance of being reelected president.

Seleznev told INTERFAX that the State Duma elections have shown that the executive authority does not carry a great weight in the country.

"Yeltsin could go down into history as Russia's first and last president," he believes.

Seleznev thinks that Yeltsin should suggest a constitutional amendment eliminating the presidency as of January 1, 1997 and that two thirds of Russians would back this initiative.

Yeltsin, however, has started his campaign even before he agreed to run for presidency. The resignation of Andrey Kozyrev, former foreign minister, and Anatoliy Chubays, former first deputy prime minister, were the evidence of this. All doubts were dispelled, Seleznev said, when Oleg Soskovets was appointed head of presidential election headquarters and former presidential chief of staff Sergey Filatov sent to help him.

Collection of signatures in support of Yeltsin is underway in numerous regions and Seleznev is confident that a million signatures will be collected. In this way Yeltsin is trying to find out how much support he can muster.

Seleznev did not rule out the possibility that Prime Minister Viktor Chernomyrdin may also run for presidency but did not believe that Chernomyrdin will succeed.

Russia: 23 Groups Nominating Presidential Candidates Registered

LD2201203096 Moscow INTERFAX in English 1852 GMT 22 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 22 (INTERFAX) — Russia's Central Electoral Commission

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registered Monday two action committees nominating the leader of the Liberal Democratic Party of Russia (LDPR), Vladimir Zhirinovskiy, and a leader of the Congress of Russian Communities (KRO), Aleksandr Lebed, as presidential candidates.

The commission also enabled the election teams of Duma deputies Boris Fedorov and Vladimir Bryntsalov and the director of the Institute for Economics and Entrepreneurship, Anatoliy Sidorov, to start canvassing campaigns in support of their candidates.

In settlement of the Supreme Court decision, the commission also registered the action committee of the chairman of the Tibet Stakeholders Association, Vladimir Voronin.

On the whole, the commission has registered 23 action committees and election teams nominating their presidential candidates.

Schedule of Activities for Russian Presidential Elections Approved

LD2201203896 Moscow INTERFAX in English 1852 GMT 22 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 22 (INTERFAX) — The Russian Central Electoral Commission (CEC) approved Monday a schedule of activities to prepare next June's presidential elections.

According to the schedule, the lists of electors should be compiled by May 16, 1996. The deadline for submission of lists of signatures and other registration documents will be 6 p.m. [1500 GMT] on April 16, 1996.

The schedule stipulates that the election campaign will start from the day of registration of a presidential candidate and end at 00:00 a.m. local time on June 14, 1996 [2100 GMT 13 June]. After a presidential candidate is registered, he or she may create an election fund to finance his or her campaign.

The CEC will approve the form and the text of the ballot paper by May 18, 1996. Pre-schedule voting will start on June 1, 1996.

The voting results will be summed up and published by July 1, 1996.

Yeltsin Likely To Name Orel Governor as Federation Council Speaker

LD2201160396 Moscow ITAR-TASS in English 1539 GMT 22 Jan 96

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW January 22 (ITAR-TASS) — President Boris Yeltsin wants Yegor Stroyev, the governor of the Orel region in central Russia, to head the new Federation Council, well-informed sources in the Kremlin told ITAR-TASS on Monday, but there was no official confirmation of the report.

On Monday, Yeltsin held a meeting with a working group which is preparing the first session of the upper house and Stroyev was also present.

Presidential spokesman Sergey Medvedev said that "the candidate for the post of chairman of the Federation Council has been practically agreed upon and caused no objections either from the president or members of the working group."

However, he did not elaborate, nor did he name Stroyev.

At the same time, Federation Council spokesman Yuriy Algunov told ITAR-TASS that reports saying that Stroyev's candidature has been "practically agreed upon" are "very tentative."

He explained that the procedure for electing the upper house speaker is much more complicated than that in the Duma. "Under the present regulations, the nomination of candidates to the post of chairman and further elections are conducted by secret ballot. I see no reason whey the Federation Council should change these regulations on the first day of its work," he said.

However, he noted that Stroyev, 59, has good chances to win. He is a Doctor of Economics, has experience of work in the former Federation Council and has been elected to the post of governor by people, rather than appointed by the president.

In Soviet times, Stroyev was the Communist leader of the Orel region. In 1989, he was appointed as secretary of the Central Committee of the Soviet Communist Party when Mikhail Gorbachev was in office.

In 1993, he was elected governor of the Orel region.

Russia: Gaydar Criticizes Yabloko's Collaboration With Communists

LD2201182496 Moscow INTERFAX in English 1556 GMT 22 Jan 96

[FBIS Transcribed Text] Moscow, Jan 22 (INTERFAX) — The Democratic Choice of Russia (DVR) will cooperate with Yabloko in the nomination of a democratic presidential candidate, if Yabloko reconsiders the most odious provisions of its program, DVR leader Yegor Gaydar told a press conference in Moscow Monday. Yabloko and its leader Grigoriy Yavlinskiy proved "highly inclined to collaborate with the communists," he added.

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Gaydar said many of Yabloko's provisions are close to those of the communists. He wished Yabloko would drop its "idea of inflationary pumping the economy as a remedy against all our problems." He added that Yabloko voiced "imperial notes while discussing foreign policy priorities."

"All this makes it extremely difficult for us to support a presidential candidate from forces which tend to collaborate excessively with the communists," Gaydar stated.

It was clear to the DVR long before the Duma elections that Yabloko's program was "wide open to collaboration with the communists," Gaydar said. However, the DVR "did not want to pay too much attention to that, showing restraint in polemics with other democrats before the elections," he added. However, "if now the issue under question is cooperation between democratic forces at the presidential elections, then the question of what kind of programs they will propagate becomes crucial," Gaydar underlined.

"We cannot make millions of like-minded people vote either in favor of the party of power, or Yabloko," Gaydar said.

Russia: Communists To Exploit Domination of Duma Apparatus

MM2301134596 Moscow ROSSIYSKIYE VESTI in Russian 23 Jan 96 p 1

[Article by Pavel Anokhin: "Communists Intend To Turn Duma Apparatus Into Their Campaign Headquarters"]

[FBIS Translated Text] The new State Duma seems to be in danger of turning, if not into the Communists' central committee, then at the very least into their campaign headquarters for the upcoming presidential election. The distribution of top Duma portfolios has shown that Lenin's heirs clearly feel that they are the dominant force in the lower legislative chamber, having captured key posts. They head nine of the 28 Duma committees. Moreover, representatives of the CPRF [Communist Party of the Russian Federation] also head four State Duma commissions.

If you add to that another eight committees headed by representatives of the CPRF's daughter deputy groups (Agrarians and "People's Power," which not only support the Communists but are partly made up of their "commissars"), then it is perfectly possible to say that the Communists and their allies have seized power in the Duma.

The fight for control over the Duma apparatus is rounded off by possession of the post of head of the State Duma apparatus, who is appointed and released by the chairman of the lower chamber of parliament in consultation with its council. The outcome of this fight is a foregone conclusion. According to independent experts, the Duma apparatus — with its finance, communications, vehicles, offices, and potential for acquiring an army of deputies' assistants — will be the cornerstone of the communist headquarters for the Russian presidential election. The State Duma has already outdone the former CPSU Central Committee in terms of the number of apparatus functionaries. It appears that there will soon be every reason not only to ask oneself Lenin's question "How do we reorganize Workers' and Peasants' Inspection [Rabkrin]?" [reference to 1923 Lenin work on unifying party and state control apparatuses] but also to compile a modern "Letter to the Congress" [one of several works written by Lenin in 1922-23 which constitute his political testament and develop his ideas on building socialism in USSR].

Russian-U.S. Relations Seen at 10-Year Low

MM2201167496 Moscow IZVESTIYA in Russian 23 Jan 96 p 3

[Report by Vladimir Nadein: "Threadbare Consensus Fading, Proper Quarrel Brewing"]

[FBIS Translated Text] Washington — If the undermining of Russian-U.S. relations is indeed seen by the Kremlin as the guarantee of success in the upcoming elections, it is time to order the champagne. The deed is done. At no time since the meeting between Reagan and Gorbachev in Reykjavik in 1986 have relations between the two countries been as bad as they are now. But at that time, 10 years ago, the icy cold lay in the past. Now the frosts are in prospect.

"It is likely to be a long political winter in Moscow," THE WASHINGTON POST writes in an editorial. The newspaper believes that the recent Chechen events are not as indicative of the changes under way in Russia as the more general drift in Yeltsin's team. "Talks on the critically important $9-billion IMF loan are running into difficulties," the newspaper reports with a slight tinge of satisfaction. "Growing nationalist elements throw down a potential challenge to integration with the West. Boris Yeltsin's administration is sowing doubts among supporters of democratic reform: Is it better to keep him or to dump him?"

Until recently it was supposed that Clinton and Yeltsin would have one more meeting. The last one before the elections. About the problems of nuclear missile disarmament. It is now clear that the presidents will part without farewell embraces. The coupling of "friend Bill and friend Boris" proved to be short-lived. Today

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many people in the West see Boris Yeltsin's reelection as requiring nothing short of an electoral miracle. But even such a great miracle would not regain him the former trust of his American colleagues.

Perhaps that is actually a better situation? Maybe a glorious quarrel, with a fierce glint in the eye and foam-flecked lips, is more uplifting and advantageous than a cheerless vulgar peace? Should we be wagging our tails to the sound of the transatlantic bankers' barrel organ when we still remember how to make missiles?

To this day Russian ruling elites, whether under the czars or under the commissars, have successfully sown the ideas of world greatness among the people. But they have never said at whose expense. New Foreign Minister Yevgeniy Primakov began with charming simplicity. Instead of "more socialism" or "more machine building," he came up with "more great-power status!"

This statement happened to coincide with the publication of two noteworthy figures. It was announced that Russia's gross national income in 1995 was $330 billion. The comparable income of the State of California, which may be very big but is still just one of 50 U.S. states, is $900 billion. Almost three times as much.

Where does Yevgeniy Primakov intend to get the resources for his great policy? From the Barnaul social system? From the Voronezh water supply system? From the provision of amenities for Magadan?

We are by no means the first country in the world to find ourselves in a very difficult position overnight. After last century's civil war the United States was desperately poor. The dislocation and lack of confidence in postwar Germany and Japan were boundless.

Boris Yeltsin's innate feistiness helped him to occupy an outstanding place on the world scene. But that same quality, becoming overgrown with everyday trouble-making, is increasingly insistently pushing him back off-stage. His toughness toward Gorbachev ended in a celebratory fireworks display. His toughness toward Khasbulatov ended in isolated cannon salvoes. His toughness toward Dudayev ended in carpet bombing of Groznyy.

It looks as though a policy that has no place for compromise in its arsenal has outlived its usefulness. U.S. commentators, employing an aggressive manner not used vis-a-vis Russia for quite a long time, have begun to make numerous complaints about Moscow even before the slow-moving Kremlin leadership has had time to formulate explanations (excuses, arguments, force majeure) for the clear change of course.

The signal for the attack has clearly been sounded by the Washington administration. Before this it was quite loyal to the Yeltsin team. There were rumblings from Congress quite often and the press and the public took a doubtful view of a great many actions by our rulers, but the White House, the State Department, and the notorious "diehard" Pentagon remained places where any criticism of Russia was softened by words of understanding and sympathy.

You could not find a better example than the recent remarks by Defense Secretary William Perry. He did not praise the method used in the operations in Chechnya, of course. But he noted that it is a tremendously difficult task to rescue hostages, and failures are by no means always a sign of poor professionalism on the part of those who are countering terrorism.

This remark was probably one of the last of its kind.

In an article headed "Russia Is Hampering Arms Agreements" WASHINGTON POST commentator Thomas Lipman accuses Moscow of sabotaging the agreements reached at the meeting between Clinton and Yeltsin in May last year. "The Russians have gone back on their earlier promises and have essentially broken off the talks. Officials say they were stunned and annoyed by developments," the commentator says.

According to the newspaper, both U.S. diplomats and the U.S. military blame Russia for the breakdown of the statement on the irreversibility of the nuclear arms reduction process signed by the presidents. Making no mention of their own decisions aimed at effectively revising the agreements banning both sides from deploying antiballistic missile systems, local officials fault Moscow in the following highly important spheres: the agreements on biological weapons, chemical weapons, and the procedures for monitoring missile storage, START I, and also the agreement on reducing conventional forces in Europe.

The majority of legislators believe that the dominance of the Communists and nationalists in the Duma will make it impossible to ratify the START II treaty on reducing nuclear missile arsenals. In view of this, the U.S. Congress has sent the White House a special act demanding that the President regard all ratification acts by the Senate and the House of Representatives as null and void unless the State Duma ratifies the treaty.

The cooling of relations between Russia and the United States, which only recently were sincerely confident of the possibility of open partnership relations, may very soon again become a most important threat to global peace. Although Moscow's potential is no longer what it was, Russia remains the only country capable of destroying America, even if it is powerless to stop the war in its own Caucasian province.

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Americans realize this and are preparing to exploit all their advantages in tough dialogue. In Washington, too, there are plenty of people to whom a good quarrel is more advantageous than a bad peace.

Military & Nuclear Issues

Yeltsin Appoints New Head of Defense Industry Committee

LD2301124596 Moscow ITAR-TASS in English 1159 GMT 23 Jan 96

[FBIS Transcribed Text] MOSCOW, January 23 (ITAR-TASS) — Russian President Boris Yeltsin appointed Zinovy Pak, director of the Federal Centre for Dual Technologies Soyuz, head of the State Committee for the Defence Industry, Yeltsin's press service told Tass on Tuesday.

Pak's predecessor was Viktor Glukhikh who was dismissed in connection with his transfer to another job, according to the press service.

Russia: Admiral Baltin Dismissed for Political Activities

MK2301074396 Moscow SEGODNYA in Russian 20 Jan 96 p 1

[Report by Viktor Yadukha and Yuriy Golotyuk: "Admirals Are Not Forgiven Their Political Views. A Second Row Black Sea Fleet Commander Dismissed for His Views"]

[FBIS Translated Text] As your SEGODNYA correspondent was told at the Russian Navy Main Staff late afternoon yesterday, "no one in the staff has seen the presidential edict on Admiral Eduard Baltin's dismissal as Black Sea Fleet commander yet. The talk about Mr. Baltin's dismissal was initiated by official statements by Ukrainian President Leonid Kuchma, who said on Tuesday [16 January] that at his meeting with Russian Federation President Boris Yeltsin, he signed a joint edict "on the dismissal of Admiral Baltin as Black Sea Fleet commander."

Regarding the reasons for admiral's dismissal, Mr. Kuchma said that "the military should mind their own business, instead of going into politics."

It cannot be ruled out that Boris Yeltsin indeed agreed to dismiss Mr. Baltin in "exchange" for Ukraine's consent to retain Sevastopol as the base of the Russian Black Sea Fleet. Mr. Kuchma said that there was no problem dividing the Black Sea Fleet: In his words, "the only remaining problem is that of territories, status, and conditions of the Russian fleet." If Admiral Baltin is forced to resign, he will become the second Black Sea Fleet commander in a row who was dismissed for political reasons. His predecessor, Admiral Kasatonov, although he left this post with a promotion (he is now the first deputy chief commander of the Russian Federation Navy, and at this moment, as your SEGODNYA correspondent learned, he is in the Mediterranean, on board the Admiral Kuznetsov aircraft carrier), also lost his post because of an excessive passion for politics.

Eduard Baltin, aged 59, took command of the fleet from Admiral Kasatonov three years ago, and he quickly got stuck in Defense Ministry staffers' throats. Whereas his predecessor, who achieved fame for protecting Sevastopol from ukrainization, was snooty with Kiev and chummy with Moscow, Baltin has not been regarded as fully "loyal" neither in Crimea, nor in Kiev, nor in the Russian Navy Main Staff. Last fall, realizing that his dismissal was inevitable, the admiral went for broke and, at a time when the whole army voted for ["Russia Is] Our Home," became third on the "For the Homeland" bloc's slate. As could be expected, in the Duma election, the Black Sea Fleet voted for its commander. Baltin was not forgiven for this. Feliks Gromov, Russian Navy chief commander, who is believed to be one of the most skilled courtiers in the military agency (and whose relations with Baltin could be characterized as mutual dislike), simply could not help making use of this pretext, and at the presidential summit he must have supplemented Ukrainian intrigues with those of his own. As for Yeltsin, most probably, the admiral's dismissal was presented to him as the least of all evils.

At first, there were two candidates in Moscow for the post of Black Sea Fleet commander — Vice Admiral Kravchenko, first deputy commander of the Baltic Fleet, and Vice Admiral Suchkov, Baltin's first deputy. Now, one more candidacy has emerged — Vice Admiral Svetashov, chief of the Black Sea Fleet Staff, who is a rather odious figure, but noted for having as high a friend as the chief commander.

Russian Duma Protests Sacking of Black Sea Fleet Commander

LD2301131696 Moscow ITAR-TASS World Service in Russian 1230 GMT 23 Jan 96

[FBIS Translated Text] Moscow, 23 Jan (ITAR-TASS) — The Russian Federation State Duma adopted a statement on Tuesday "firmly protesting" President Boris Yeltsin's decision to dismiss Admiral Eduard Baltin as commander of the Black Sea Fleet.

Some 276 deputies voted in favor of this document, which was submitted by deputies Valentin Varennikov, Aleksandr Lebed, and Anatoliy Chekhoyev among others. There were two votes against and five abstentions, and the necessary quorum was 226.

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The statement emphasizes that "the departure of E. Baltin hastens the division, and in effect, the dismantling of the entire Black Sea Fleet."

The parliamentarians emphasize that this decision was taken by President B. Yeltsin "at the request of Ukrainian President Leonid Kuchma."

The statement notes that Admiral Baltin "could not just stand by and watch as the military might of a great state was collapsing, and he delivered harsh verdicts on the policy being conducted in the country. He was not afraid to call a spade a spade," and this is "his only crime."

Livshits: Debt to Russian Defense Ministry To Be Paid in Jan

MM2201164496 Moscow KRASNAYA ZVEZDA in Russian 20 Jan 96 p 1

[Report by Boris Soldatenko: "Ministers Will Now Be the Last To Receive Pay"]

[FBIS Translated Excerpt] [passage omitted] Replying to a question from KRASNAYA ZVEZDA's correspondent about the state's still outstanding indebtedness to the Ministry of Defense, Aleksandr Yakovlevich [Livshits] first apologized to our readers for his statement last September assuring servicemen and their families that the total debt would be paid off by the end of 1995. "But this is not our fault," Livshits said. "The Russian president, the government — all of us — did everything to keep our word, but alas.... Hence I would like to apologize again right now for having inadvertently misinformed KRASNAYA ZVEZDA's readers and to announce that all the money owed to the Ministry of Defense for the payment of wages in 1995 will be paid in January of this year."

Russia: State Committee Head Views New Radiation Safety Law

MM2301102896 Moscow ROSSIYSKIYE VESTI Saturday Edition in Russian 20 Jan 96 p 12

[Interview with Ye.N. Belyayev, chairman of the State Committee for Sanitary and Epidemiological Supervision, by Lyudmila Zolotova; place and date not given: "World Leader in Radiation Stakes"]

[FBIS Translated Text] Russian Federation President Boris Yeltsin has signed a Federal Law "On Radiation Safety for the Population."

Our correspondent asked Yevgeniy Nikolayevich Belyayev, chairman of the State Committee for Sanitary and Epidemiological Supervision," to talk about the new law.

[Belyayev] Hitherto Russia has been the only developed country in the world without a law establishing the rights and responsibilities of individuals and corporate bodies when operating nuclear facilities and using sources of ionizing radiation.

There were only legally binding acts in the form of radiation safety norms or sanitary rules regulating in the main the technical, sanitary, and ecological aspects of safety. These documents did not provide legal protection for people involved in the sphere of the use of nuclear power and radioactive substances.

[Zolotova] Did this mean that Russians were in great danger from radiation?

[Belyayev] In recent decades the radiation situation has been highly unsatisfactory in the Russian Federation. Millions of people have been subjected to excessive levels of radiation, primarily because there was effectively no proper protection against higher levels of natural and industrial radiation in housing and the unnecessarily large number of X-ray investigations carried out without observing the set requirements.... There have been cases of radiation damage due to defective radiation equipment during radiation therapy, which involves around 20 percent of the population, during radioisotope flaw detection, and so on.

You might say that Russia is the most irradiated country in the world.

[Zolotova] But despite the dire need for it, didn't it take an extremely long time to get it adopted, even by normal Duma standards?...

[Belyayev] The Duma examined the draft five times: There were three readings and twice the law came back after a presidential veto.

From the moment the law passed its first reading we received many proposals and comments from State Duma committees and factions and from deputies. Russian Federation components were very active in discussing the draft law.

We carefully studied all the proposals. Many of them helped improve the text of the law.

What caused the most rancor during work on the draft law was the question of incorporating specific quantities for the basic dose limits in the text of the law.

[Zolotova] What caused the rancor, what was the reason for the debate?

[Belyayev] It is the first time radiation safety norms (dose limits) have been included in the text of the law, and this is of immense significance.

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It rules out any attempts by individual departments to set their own, higher normatives for certain facilities. The incorporation of specific dose limit quantities also rules out the possibility of their maneuvering, as happened, for example, after the Chernobyl tragedy. It will also help make them more responsible as regards observing normatives and encourage an improvement in nuclear technology and improvement in safety standards.

At the same time, the introduction of such rigorous dose limits will create serious problems for the nuclear and military industries. Therefore, once the basic normatives for the population and for personnel had been laid down in the law, existing facilities and facilities under construction were given time to adopt them — up to five years.

[Zolotova] The adoption of the law should make all of us better protected against ionizing radiation, and it is needed not only in the event of accidents and disasters, but also — alas! — in everyday life...

[Belyayev] The Russian Federation law "On Radiation Safety for the Population" has been created on a fundamentally new basis. The radiation protection strategy envisages as the main indicator for assessing the level of radiation safety the average dose received by human beings from all sources of ionizing radiation.

This situation differs from the previous situation in that all types of radiation come under scrutiny in every case. Previously attention was focused only on certain sources without taking into account the total amount of radiation.

The law envisages counting the number of people affected by radiation in excess of the set limits (I repeat: the actual figure stated in the text of the law, not in legally binding acts published later) and the number of people with radiation damage from accidents, professional activities, and medical irradiation.

The radiation safety specifications also include indicators of the likelihood of radiation accidents and their scale and also the level of readiness to deal with them.

Russia: Tests, R&D Urged To Upgrade Nuclear Deterrent

MK2301103696 Moscow ZAVTRA in Russian No. 3, January 96 (Signed to press 16 Jan 96) p 2

[Report by Yu. Byalyy: "Three Times 'Yes' to a 'Nuclear Peace'"]

[FBIS Translated Text] There have been almost no leaks to the media recently concerning the question of Russia's participation in nuclear testing, discussions on the matter being limited to circles that have influence on military-political decisionmaking.

The reason is unlikely to boil down only to the secrecy surrounding the subject. Rather, we should think that such a discussion has fallen outside the limits of political expediency for a majority of players on the Russian political scene. The authorities, having not definitively made up their mind as to how far they should distance themselves from the West, have been careful to avoid actions or statements on such a sensitive political problem. The opposition, which — except for a number of its isolated (or special) representatives — has been increasingly assimilating the rules of international games and has had no wish whatsoever to assume the role of "accomplished villains and nuclear warmongers." As a result, the issue that is crucial for Russia has only been gaining destructive urgency.

The USSR was the first to declare a moratorium on nuclear testing, and Russia took over the relay race baton of its obligations. The United States joined the moratorium only in 1993 and, therefore, has a huge head start regarding such tests.

The United States has increased its dominant role in the world. Emerging as its successor after the USSR's breakup, Russia could not realize for a long time that it is inherently "doomed" to a superpower status. The United States has retained all its NATO allies and is finding new ones. As for Russia, besides having lost its Warsaw Pact allies, it has no guarantees of a cohesive alliance even within the CIS. The United States is consistently building up its economic might. Russia, for its part, has halved its production and, equally important, demographic potentials.

NATO is obviously and unequivocally advancing eastward. Before long, Western nuclear missiles may pop up somewhere near Smolensk. According to the Air Defense staff, the incidence of reconnaissance flights by NATO aviation in the vicinity of CIS borders is far from going down and has even increased in the south. At the same time, it is Russia that is still seen as the main potential adversary according to the staff terminology of the United States and NATO.

In these conditions, Russia, which is having justified doubts about the indisputable might of its conventional forces following the "strange war" in Chechnya, cannot but invoke its nuclear argument (which, let me note, can by no means be equated with brandishing a nuclear stick). But the weight of this argument is determined not only by the quantity and quality of nuclear weapons but also, which is extremely important, by the factor of nuclear tests.

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China, which, given the situation in the Far East, is by no means a trouble-free geostrategic zone for Russia, is continuing such tests. Most importantly, however, these tests are continued by France, which turns their results (making no bones about this) over to the United States and Britain. It should also be recalled that the United States, fully exploiting its scientific-technical edge, is ready to partially replace nuclear testing by state-of-the-art computer simulation. Another partial replacement involves the authorized microtesting of low-yield nuclear warheads in a liquid environment, this program scheduled to be carried out in Nevada in 1996-1997. Given its access to the data produced by French tests, the United States will have a clear advantage in the possible new round of a nuclear arms race.

What is Russia doing in the meantime? It is consistently dismantling all its ultramodern centers and staffs dealing with the development and testing of nuclear weapons. To prevent Russian "nuclear secrets" from spreading all over the world, the International Scientific-Technical Center, funded by the United States, the European Union, and Japan, is watchfully keeping Russian nuclear specialists away from military programs, giving them grants to conduct radiation monitoring, radiation environmental studies, and so forth.

Elections in the United States is just around the corner. Whatever their outcome, Russia will have to deal with either Clinton, who will have to become tougher and less cooperative, or a completely uncooperative Republican administration, whose likely leaders are already declaring the Soviet-American ABM Treaty to be obsolete even at this stage. An election campaign in Russia is about to begin. It is already evident that regardless of its outcome, the election is unlikely to narrow differences between Russia and the United States. In these conditions, hopes for the West's loyalty and a nuclear policy of giving "one head start after another" are becoming, to put it mildly, simply out of place.

We still have excellent nuclear weapons. But maintaining them even in the minimal state of repair is not easy. One characteristic of nuclear warheads is their fairly rapid aging owing to the behavior of construction materials, fuses, electronic components, and many other things in the conditions of a high radiation background. Nuclear tests are the sole reliable means to make sure that these processes have not reached a critical point jeopardizing not only the weapons' battle worthiness, but also their safety.

The new situation in Europe, however, also requires from Russia to have a room for maneuver with regard to modernization. If, as some experts and officials have already said, Russia will have to deploy operational-tactical nuclear weapons along its western defense lines, the antiquated nuclear howitzer munitions of the 152-mm and 203-mm caliber or old tactical missiles cannot now serve this purpose. Bearing in mind that up-to-date domestic systems with a range of 400-450 km, which "for some reason" were categorized as having a range of over 500 km with the connivance of Former USSR Foreign Minister E[duard]. Shevardnadze, were eliminated under a Soviet-U.S. treaty, we have to admit that the question of developing new nuclear weapons is acquiring extreme urgency for Russia.

Federal Assembly

Yeltsin Opens Russian Federation Council Session

LD2301075196 Moscow ITAR-TASS in English 0728 GMT 23 Jan 96

[By Lyudmila Yermakova]

[FBIS Transcribed Text] MOSCOW, January 23 (ITAR-TASS) — The first meeting of the new Council of the Federation, just as the first meeting of the previous Upper House two years ago, was opened today by President Boris Yeltsin. At the entrance of the Council building he was welcomed by Vladimir Shumeyko, Speaker of the Council of the Federation of the first convocation. After opening of the meeting and delivering a speech, the President will be seen off by the Council's oldest member — North Ossetian President Akhsarbek Galazov. He will also chair the meeting until the Upper House's Speaker is elected.

The Federation Council of the second convocation, which will be almost two-thirds new, includes the heads of legislative and executive bodies of the subjects of the Federation — 178 members in all. They include the presidents of the constituent republics of the Russian Federation, chairmen of their State Councils, heads of state and legislative assemblies, territorial, regional and district Dumas, governors, and heads of administrations. The Chechen Republic will be represented for the first time by Head of that republic Doku Zavgayev and Speaker of the Chechen Supreme Soviet Amin Osmayev. The Council of the Federation will for the first time include also the mayors of Moscow and St. Petersburg, which are cities of federal subordination and subjects of the Federation.

The new Upper House includes more than ninety members of the Council of the first convocation. The powers of Council members will be confirmed today by the Credentials Commission.

The draft agenda of the first meeting, approved by a special working team, already includes ten organisational

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and procedural items, first of all, the election of Council Speaker and his Deputies. The Council is also to decide questions linked with the structure and procedural rules of the new Upper Chamber, endorse the compositions of its committees and commissions, decide the periodicity of its meetings and functions of its apparatus, and adopt a document on the work of Council members and their assistants.

ITAR-TASS has learned the name of one of the candidates to the post of Council Speaker - Yegor Stroyev, Head of the Orel Regional Administration. The voting on the candidature of Council Speaker will be secret.

Yeltsin Addresses Federation Council Session

LD2301093596 Moscow Russian Public Television First Channel Network in Russian 0700 GMT 23 Jan 96

[Address by Russian President Boris Yeltsin at the opening session of the Russian Federation Council in Moscow — live]

[FBIS Translated Text] Esteemed members of the Federation Council: According to the Constitution, the Federation Council of the Russian Federation's Federal Assembly has 178 seats. Regrettably, six seats have not yet been filled; they are vacant. Out of 172, we have 162 members of the house present. Thus, the Federation Council is empowered to begin its work.

In accordance with the Russian Constitution, I declare the first sitting of the Federation Council of the Russian Federation's Federal Assembly open. [national anthem played]

Esteemed members of the Federation Council, esteemed guests and citizens of Russia, the former Federal Assembly did quite a good job. Some of your predecessors came forward as critics and ideological opponents of the president and the government. Nevertheless, we managed to achieve a good level of interaction between the powers and to enable the Constitutional Court do its work. We set up a mechanism for reaching agreement on decisions in such areas as the national economy and the budget, where conflicts of interests between various social groups and political parties are especially acute.

The most important event of last year was the election of deputies to the State Duma. It is vitally important to further develop these traditions of a well-balanced and responsible dialogue between [legislative and executive] powers, keeping in mind the need for compromise when adopting extremely important political decisions. I think most Russian people support such a course.

According to the Russian Constitution, members of the Federation Council are heads of the legislative and executive power bodies of the constituent members of the Russian Federation. This ensures a high professional level and considerably strengthens the role of the regions in the legislative process.

Strict checks will be made in the Federation Council on the main draft laws adopted by the State Duma to ensure that they promote the interests of all regions of the country and that they correspond to the Constitution. Reckoning on you, I shall receive sound support in resolving the extremely difficult task of ensuring that the interests of the Federation coincide with the interests of each of its components. Together we can manage to ensure that the good of the country as a whole is not detrimental to its individual parts.

Naturally, the interests of the regions may not coincide with those of one another or with the interests of the state. What is more, certain conflicts may arise. It is precisely the Federation Council that is to become the arena for resolving them in a civilized manner. And the more efficiently you work, the greater will be the calm in our society, the sounder the Russian Federation will be.

Over the last few years we have managed to drastically lessen separatist moods, considerably to reduce interethnic tensions and strengthen Russia's integrity. The threat of its collapse has been avoided. Milestones on the stages on this path were: the conclusion of the Federation Treaty in 1992; the Civic Accord Treaty in 1994; the treaty on delimitation of subjects of authority between the federal center and the power bodies of a number of components of the federation in 1994-1995. This work will continue.

At the present time, the main threat to peace and calm on Russian territory remains the pro-Dudayev forces in Chechnya. The bandit raids on the hospitals in Budennovsk and Kizlyar opened the eyes of many people in the Chechen Republic, in Russia, and in the world to what Dudayev and his cronies stand for.

I ask you to observe a minute's silence in memory of all the civilians and servicemen who have perished due to terrorist actions. [all stand for a minute's silence]

Please sit down.

I will say a few words about the Chechen crisis. Our stand with regard to a resolution of this problem is well known — patient dialogue with all those who are prepared to hold political negotiations, and undoubtedly harsh suppression of bandit and terrorist bases, the destruction of the armed groupings and their leaders, in other words, those who are obstinately and shamelessly

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trying to dictate their conditions to us, shielded by women and children taken as hostages.

A resolution of the Chechen problem presupposes the development of an internal Chechen dialogue and consolidation of the entire population of Chechnya on this basis, the holding of elections to the representative bodies of authority in the republic, the conclusion between the federal authorities and the authorities in the Chechen Republic of a treaty determining its status within Russia. The election of Doku Gafurovich Zavgayev as head of the Chechen Republic — perhaps there is someone who does not know him [Zavgayev stands up to applause]; I see everyone knows him — has clearly shown that the majority of Chechens are in favor of restoring normal life, peace, and order.

The [Russian] Federation will render them all-round assistance.

Esteemed members of the Federation Council, the variety of regions in our huge Russia is an extremely valuable piece of property. It opens up before the country a broad spectrum of possibilities, drastically increases its provision with resources. The variety of regions forms a firm foundation for Russia's unity. It is important to find ways of combining it, for the components of our federation to supplement one another mutually. This is one of the main tasks of the upper chamber. It can and should become a link which genuinely connects the center and the components of the federation.

In the regions, legislative work is developing on an ever broader scale. These are visible signs of the deepening of Russian federalism, and such work will be considerably more effective if it is carried out both among the regions and on a federal level in accordance with the Constitution of the Russian Federation. The Federation Council is obliged to be a party to this process. Otherwise, instead of a harmonious system of regional documents, which is crowned with Russia's Constitution, we will get a chaotic accumulation of republican, territorial, and regional laws of varying caliber. Such legislation cannot be contended with and will be an insurmountable impediment for all of us.

Esteemed members of the Federation Council, we and you represent different branches of power, but we are equally dependent on the will of the people, on the will of the citizens of Russia. We and you bear enormous responsibility for the development of the economic and political situation in the country, for the achievement of progress in developing a law-governed state. And it is precisely for this reason that I would like, before you embark on your work, to dwell on certain shortcomings and omissions in the previous parliament's work.

In the two years the Federation Council has been working, 400 laws have been passed in their final form, but only 298 have entered into force; I was forced to use my right of veto on the remaining laws. This means first and foremost that the quality of legislative work has to be raised. In most cases the veto was used not because of contradictions between the branches of power, but because of contradictions between the law and the provisions of the Russian Constitution and legislation already in force.

The practice of adopting laws providing for expenditure from the federal budget without the government's agreement has become widespread. This is a direct violation of Paragraph 3, Article 104 of the Constitution. Sometimes such agreement was obtained from the government, and it happened that finance for the law was not found from budgetary funds, but even in those cases the government's opinion was ignored as a rule.

Unfortunately, I have been forced fifteen times to reject laws precisely because they lacked financial provision. My advice to you — take it as a rule — is to be extremely demanding and principled when adopting the budget, but once it has been adopted, let us ensure that we implement it.

Over the past six months the Federation Council has often sent laws for signing without examining them at all, in breach of procedure. I was forced to return several such laws and insist that they be duly examined in accordance with the Russian Constitution. There have also been other breaches of a procedural nature: repeated votes on one and the same issue; noncompliance with the principle of voting in person, and so on. I think you will all agree that no one has a monopoly on truth. Shortcomings in the practical legislative process must be put right, and that means by joint efforts.

It has already been proposed that a council or federal commission be set up to coordinate and study legislative initiatives. This would be a special body comprising representatives of all sides, capable of regulating the flow of draft laws. I am willing to discuss your suggestions on this matter. But the first step needs to be the urgent adoption of a federal law on the order of examination and adoption of laws in general.

It will allow the level of legislative regulation, the most important procedure in the legislative process to be improved, the measure of responsibility of all its components to be raised. Only in this way will we be able to attain both the high quality of the laws adopted and their constant efficacy.

It is very important to preserve continuity in the work of the Federal Assembly. The portfolio awaiting its time

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still has enough laws in it, and among those laws there are quite a few that are extremely important for the country. The adoption of a number of codified acts — the Criminal Procedure Code, the Criminal Executive Code, the Land Code, the third part of the Civil Code, the Civil Procedure Code, the Code of Administrative Law Violations, the Tax Code — need more work done on them.

Some things still need attention in building the state. These are the law on the judicial system, on the government, on the procuracy, on the Supreme Court, on state symbols, on an authorized human rights representative. I am reckoning on the work on all these legal acts being completed as soon as possible. Naturally, the quality of them should not suffer for the sake of speed.

Esteemed members of the Federation Council, the new procedures for forming your chamber will substantially change its character and work methods. It will not be easy for you. As Russia has 11 time zones, the constant trips to Moscow will require considerable effort. And an enormous number of affairs and problems will still be left behind at home. The local residents are hardly likely to agree to making things easier for you.

Anyway, we do not intend to lower our demands of legislative activity; on the contrary, we expect the quality of your chamber's work to improve. After all, you will not only have to adopt laws that are important for the country, but also to put them into practice at the local level. So I hope that you will examine the laws adopted by the State Duma above all from the point of view of the practical life of each region and that you will use the right of legislative initiative to ensure top priority adoption of laws that reflect people's real needs, of which you are, of course, well aware.

Let me voice two organizational thoughts. First, one thing that needs to be considered is the smooth organization of the chamber's activity in the period between sessions. This time should not be wasted. In the interval between sessions, certain commissions could work. For example, a number of secondary issues could be settled through conference calls. So that once you have gathered in Moscow, you can act energetically and settle issues which have been well- considered and prepared in advance.

Second, as a result, the role of the apparatus of the Federation Council would be enhanced. The effectiveness of parliamentary work will depend on this to a large degree, the degree to which issues are worked out and coordinated and also the thorough analytical preparation of sittings. If you take into consideration the accumulated experience, you have the opportunity to gather qualified specialists from all over the country, to reduce your staff — presently almost 900 people — and to strengthen its management. That is my wish, but it is for you to decide.

I can help you with your cadres, so that each of them deserves the high title of staff member of the upper chamber of the Russian parliament. I am sure that if things are correctly organized, the chamber can set the tone for parliamentary work.

Your activity in parliament is taking place in the last few years of the century. In this century Russia has tested many doctrines on itself, ranging from ultra-communist to the most liberal ones. In this century Russians have had to go through unprecedented experiences, social explosions, and disasters. Who is more able than we to value the opportunity to make normal political decisions, because this is something that Russia's most intelligent people have dreamed about so much?

It is staggering that, throughout this time, throughout the century, not a single reform has been completely implemented in Russia. Who is more able than we to complete this reform? Who is better able than we are to seek out and find the golden mean between extreme decisions, all the more so since we have increasingly managed to find it of late, in spite of the outbreaks of political struggle — albeit rare — and the irreconcilability of views that have come down to us from different periods in our history.

Each of you shares responsibility for the normal functioning of the mechanism of Russian statehood. The expectations of Russia's citizens are high. Whether they are justified now depends on our efforts.

I wish you success in your creative work for the good of the Russian people and the good of our Russia. [applause]

Russia: Federation Council Members Listed

MM2301114996 Moscow ROSSIYSKAYA GAZETA in Russian 23 Jan 96 pp 2,7

[Unattributed report: "Upper Chamber Composed"]

[FBIS Translated Text]

Federation Council Members from the Russian Federation Republics

Aslan Aliyevich Dzharimov, president of the Republic of Adygea

Yevgeniy Ivanovich Salov, chairman of the Republic of Adygea State Council-Khase

Valeriy Ivanovich Chaptynov, head of the Republic of Altay and chairman of the State Assembly-El Kurultay

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Vladimir Ivanovich Petrov, chairman of the Republic of Altay Government

Murtaza Gubaydullovich Rakhimov, president of the Republic of Bashkortostan

Minnirais Minigaliyevich Ishmuratov, chairman of the Republic of Bashkortostan State Assembly Chamber of Representatives

Leonid Vasilyevich Potapov, president and government chairman of the Republic of Buryatia

Mikhail Innokentyevich Semenov, chairman of the Republic of Buryatia People's Hural

Magomedali Magomedovich Magomedov, head of the Republic of Dagestan and chairman of the State Council

Mukhu Gimbatovich Aliyev, chairman of the Republic of Dagestan People's Assembly

Ruslan Sultanovich Aushev, president of the Republic of Ingushetia

Ruslan Sultanovich Pliyev, chairman of the Republic of Ingushetia People's Assembly-Parliament

Valeriy Mukhamedovich Kokov, president of the Kabardino-Balkar Republic

Makhmud Nazirovich Zhaboyev, chairman of the Kabardino-Balkar Republic Parliament Council of Representatives

Kirsan Nikolayevich Ilyumzhinov, president of the Republic of Kalmykia-Khalmg Tangch

Konstantin Nikolayevich Maksimov, chairman of the Republic of Kalmykia-Khalmg Tangch People's Hural (Parliament)

Vladimir Islamovich Khubiyev, head of the Karachayevo-Cherkess Republic

Igor Vladimirovich Ivanov, chairman of the Karachayevo-Cherkess Republic People's Assembly

Viktor Nikolayevich Stepanov, chairman of the Republic of Karelia Government

Valentina Nikolayevna Pivnenko, chairman of the Republic of Karelia Legislative Assembly Chamber of Representatives

Yuriy Alekseyevich Spiridonov, head of the Republic of Komi

Vladimir Aleksandrovich Torlopov, chairman of the Republic of Komi State Council

Vladislav Maksimovich Zotin, president and head of government of the Republic of Mari El

Anatoliy Anatolyevich Smirnov, chairman of the Republic of Mari El State Assembly

Nikolay Ivanovich Merkushkin, head of the Republic of Mordovia [Mordvinia]

Valeriy Alekseyevich Kechkin, chairman of the Republic of Mordovia [Mordvinia] State Assembly

Mikhail Yefimovich Nikolayev, president of the Republic of Sakha (Yakutia)

Yegor Mikhaylovich Larionov, chairman of the Republic of Sakha (Yakutia) State Assembly Chamber of the Republic

Akhsarbek Khadzhimurzayevich Galazov, president of the Republic of North Ossetia-Alania

Vyacheslav Semenovich Parinov, chairman of the Republic of North Ossetia-Alania Parliament

Mintimer Sharipovich Shaymiyev, president of the Republic of Tatarstan

Vasiliy Nikolayevich Likhachev, chairman of the Republic of Tatarstan State Council

Sherig-ool Dizizhikovich Oorzhak, president and head of government of the Republic of Tyva

Kaadyr-ool Alekseyevich Bicheldey, chairman of the Republic of Tyva Supreme Hural (Parliament)

Aleksandr Aleksandrovich Volkov, chairman of the Udmurt Republic State Council

Pavel Nikolayevich Vershinin, chairman of the Udmurt Republic Government

Vladimir Nikolayevich Shtygashev, chairman of the Republic of Khakassia Supreme Council

Yevgeniy Aleksandrovich Smirnov, chairman of the Republic of Khakassia Council of Ministers

Doku Gapurovich Zavgayev, head of the Chechen Republic

Amin Akhmedovich Osmayev, chairman of the Chechen Republic Supreme Council

Nikolay Vasilyevich Fedorov, president of the Chuvash Republic

Valentin Sergeyevich Shurchanov, chairman of the Chuvash Republic State Council

List of Members of the Russian Federation Federal Assembly Federation Council — Leaders of Legislative and Executive Branches of Power in

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Russian Federation Components as of 22 January 1996

Lev Aleksandrovich Korshunov, head of Altay Kray Administration

Aleksandr Aleksandrovich Surikov, chairman of Altay Kray Legislative Assembly

Yevgeniy Mikhaylovich Kharitonov, head of Krasnodar Kray Administration

Vladimir Andreyevich Beketov, chairman of Krasnodar Kray Legislative Assembly

Valeriy Mikhaylovich Zubov, head of Krasnoyarsk Kray Administration

Stanislav Vasilyevich Yermachenko, chairman of Krasnoyarsk Kray Legislative Assembly

Yevgeniy Ivanovich Nazdratenko, governor of Maritime Kray

Vladimir Pavlovich Vedernikov, chairman of Maritime Kray Duma

Petr Petrovich Marchenko, head of Stavropol Kray Administration

Valeriy Georgiyevich Zerenkov, chairman of Stavropol Kray State Duma

Viktor Ivanovich Ishayev, head of Khabarovsk Kray Administration

Viktor Alekseyevich Ozerov, chairman of Khabarovsk Kray Duma

Vladimir Nikolayevich Dyachenko, head of Amur Oblast Administration

Anatoliy Nikolayevich Belonogov, chairman of Amur Oblast Assembly

Pavel Nikolayevich Balakshin, head of Arkhangelsk Oblast Administration

Nikolay Alekseyevich Isakov, chairman of Arkhangelsk Oblast Assembly of Deputies

Anatoliy Petrovich Guzhbin, head of Astrakhan Oblast Administration

Valeriy Vasilyevich Borodayev, chairman of Astrakhan Oblast Representative Assembly

Yevgeniy Stepanovich Savchenko, head of Belgorod Oblast Administration

Yuriy Ivanovich Seliverstov, chairman of Belgorod Oblast Duma

Vladimir Aleksandrovich Barabanov, head of Bryansk Oblast Administration

Stepan Nikolayevich Ponasov, chairman of Bryansk Oblast Duma

Yuriy Vasilyevich Vlasov, head of Vladimir Oblast Administration

Nikolay Vladimirovich Vinogradov, chairman of Vladimir Oblast Legislative Assembly

Ivan Petrovich Shabunin, head of Volgograd Oblast Administration

Leonid Vasilyevich Semergey, chairman of Volgograd Oblast Duma

Nikolay Mikhaylovich Podgornov, governor of Vologda Oblast

Guriy Vasilyevich Sudakov, chairman of Vologda Oblast Legislative Assembly

Aleksandr Yakovlevich Kovalev, head of Voronezh Oblast Administration

Ivan Mikhaylovich Shabanov, chairman of Voronezh Oblast Duma

Vladislav Nikolayevich Tikhomirov, chairman of Ivanovo Oblast Legislative Assembly

Yuriy Abramovich Nozhikov, governor of Irkutsk Oblast

Ivan Zigmundovich Zelent, chairman of Irkutsk Oblast Legislative Assembly

Yuriy Semenovich Matochkin, head of Kaliningrad Oblast Administration

Valeriy Nikolayevich Ustyugov, chairman of Kaliningrad Oblast Duma

Valeriy Vasilyevich Sudarenkov, chairman of Kaluga Oblast Legislative Assembly

Vladimir Afanasyevich Biryukov, head of Kamchatka Oblast Administration

Mikhail Borisovich Mashkovtsev, chairman of Kamchatka Oblast Legislative Assembly

Mikhail Borisovich Kislyuk, head of Kemerovo Oblast Administration

Aman-geldy Moldagazyyevich Tuleyev, chairman of Kemerovo Oblast Legislative Assembly

Vasiliy Alekseyevich Desyatnikov, head of Kirov Oblast Administration

Mikhail Aleksandrovich Mikheyev, chairman of Kirov Oblast Duma

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Valeriy Petrovich Arbuzov, head of Kostroma Oblast Administration

Andrey Ivanovich Bychkov, chairman of Kostroma Oblast Duma

Anatoliy Nikolayevich Sobolev, head of Kurgan Oblast Administration

Oleg Alekseyevich Bogomolov, chairman of Kurgan Oblast Duma

Vasiliy Ivanovich Shuteyev, head of Kursk Oblast Administration

Yuriy Georgiyevich Pyatnitskiy, chairman of Kursk Oblast Duma

Aleksandr Semenovich Belyakov, governor of Leningrad Oblast

Vasiliy Vasilyevich Ivanov, chairman of Leningrad Oblast Legislative Assembly

Mikhail Tikhonovich Narolin, head of Lipetsk Oblast Administration

Oleg Petrovich Korolev, chairman of Lipetsk Oblast Assembly of Deputies

Viktor Grigoryevich Mikhaylov, head of Magadan Oblast Administration

Petr Ivanovich Lisetskiy, chairman of Magadan Oblast Duma

Anatoliy Stepanovich Tyazhlov, head of Moscow Oblast Administration

Aleksey Alekseyevich Vorontsov, chairman of Moscow Oblast Duma

Yevgeniy Borisovich Komarov, head of Murmansk Oblast Administration

Pavel Aleksandrovich Sazhinov, chairman of Murmansk Oblast Duma

Boris Yefimovich Nemtsov, governor of Nizhniy Novgorod Oblast

Anatoliy Aleksandrovich Kozeradskiy, chairman of Nizhniy Novgorod Oblast Legislative Assembly

Mikhail Mikhaylovich Prusak, head of Novgorod Oblast Administration

Anatoliy Aleksandrovich Boytsev, chairman of Novgorod Oblast Duma

Vitaliy Petrovich Mukha, head of Novosibirsk Oblast Administration

Anatoliy Pavlovich Sychev, chairman of Novosibirsk Oblast Council of Deputies

Leonid Konstantinovich Polezhayev, head of Omsk Oblast Administration

Vladimir Alekseyevich Varnavskiy, chairman of Omsk Oblast Legislative Assembly

Vladimir Vasilyevich Yelagin, head of Orenburg Oblast Administration

Valeriy Nikolayevich Grigoryev, chairman of Orenburg Oblast Legislative Assembly

Yegor Semenovich Stroyev, head of Orel Oblast Administration

Nikolay Andreyevich Volodin, chairman of Orel Oblast Duma

Anatoliy Fedorovich Kovlyagin, head of Penza Oblast Administration

Yuriy Ivanovich Vechkasov, chairman of Penza Oblast Legislative Assembly

Gennadiy Vyacheslavovich Igumnov, head of Perm Oblast Administration

Yevgeniy Saulovich Sapiro, chairman of Perm Oblast Legislative Assembly

Vladislav Nikolayevich Tumanov, head of Pskov Oblast Administration

Yuriy Anisimovich Shmatov, chairman of Pskov Oblast Assembly of Deputies

Vladimir Fedorovich Chub, head of Rostov Oblast Administration

Aleksandr Vasilyevich Popov, chairman of Rostov Oblast Legislative Assembly

Gennadiy Konstantinovich Merkulov, head of Ryazan Oblast Administration

Mikhail Filippovich Kosikov, chairman of Ryazan Oblast Duma

Konstantin Alekseyevich Titov, head of Samara Oblast Administration

Leon Iosifovich Kovalskiy, chairman of Samara Guberniya Duma

Yuriy Vasilyevich Belykh, head of Saratov Oblast Administration

Aleksandr Petrovich Kharitonov, chairman of Saratov Oblast Duma

Igor Pavlovich Farkhutdinov, governor of Sakhalin Oblast

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Eduard Ergartovich Rossel, governor of Sverdlovsk Oblast

Vyacheslav Sergeyevich Surganov, chairman of Sverdlovsk Oblast Duma

Anatoliy Yegorovich Glushenkov, head of Smolensk Oblast Administration

Sergey Vladimirovich Antufyev, chairman of Smolensk Oblast Duma

Aleksandr Ivanovich Ryabov, head of Tambov Oblast Administration

Vladimir Ignatyevich Platov, governor of Tver Oblast

Vladimir Nikolayevich Kurbatov, chairman of Tver Oblast Legislative Assembly

Viktor Melkhiorovich Kress, head of Tomsk Oblast Administration

Boris Alekseyevich Maltsev, chairman of Tomsk Oblast Duma

Nikolay Vasilyevich Sevryugin, governor of Tula Oblast

Viktor Vasilyevich Derevyanko, chairman of Tula Oblast Duma

Leonid Yulianovich Roketskiy, head of Tyumen Oblast Administration

Nikolay Pavlovich Baryshnikov, chairman of Tyumen Oblast Duma

Yuriy Frolovich Goryachev, head of Ulyanovsk Oblast Administration

Sergey Nikolayevich Ryabukhin, chairman of Ulyanovsk Oblast Legislative Assembly

Vadim Pavlovich Solovyev, head of Chelyabinsk Oblast Administration

Viktor Fedorovich Davydov, chairman of Chelyabinsk Oblast Duma

Vitaliy Yevgenyevich Vishnyakov, chairman of Chita Oblast Duma

Anatoliy Ivanovich Lisitsyn, governor of Yaroslavl Oblast

Yuriy Mikhaylovich Luzhkov, mayor of the city of Moscow

Vladimir Mikhaylovich Platonov, chairman of Moscow City Duma

Anatoliy Aleksandrovich Sobchak, mayor of the city of St. Petersburg

Yuriy Anatolyevich Kravtsov, chairman of St. Petersburg City Legislative Assembly

Nikolay Mikhaylovich Volkov, head of the Jewish Autonomous Oblast Administration

Stanislav Vladimirovich Vavilov, chairman of the Jewish Autonomous Oblast Legislative Assembly

Bolot Vandanovich Ayushiyev, head of Aga Buryat Autonomous Okrug Administration

Vladimir Rabdanovich Rabdanov, chairman of Aga Buryat Autonomous Okrug Duma-Parliament

Nikolay Andreyevich Poluyanov, head of Komi-Permyak Autonomous Okrug Administration

Ivan Vasilyevich Chetin, chairman of Komi-Permyak Autonomous Okrug Legislative Assembly

Sergey Gennadyevich Leushkin, head of Koryak Autonomous Okrug Administration

Aleksandr Sergeyevich Suvorov, chairman of Koryak Autonomous Okrug Duma

Yuriy Vladimirovich Komarovskiy, head of Nenetsk Autonomous Okrug Administration

Vyacheslav Alekseyevich Vyucheyskiy, chairman of Nenetsk Autonomous Okrug Assembly of Deputies

Gennadiy Pavlovich Nedelin, head of Taymyr (Dolgano-Nenetsk) Autonomous Okrug Administration

Aleksandr Ivanovich Zabeyvorota, chairman of Taymyr Autonomous Okrug Duma

Aleksey Nikolayevich Batagayev, head of Ust-Orda Buryat Autonomous Okrug Administration

Leonid Aleksandrovich Khutanov, chairman of Ust-Orda Buryat Autonomous Okrug Legislative Assembly-Suglan

Aleksandr Vasilyevich Filipenko, head of Khanti-Mansiysk Autonomous Okrug Administration

Sergey Semenovich Sobyanin, chairman of Khanti-Mansiysk Autonomous Okrug Duma

Aleksandr Viktorovich Nazarov, head of Chukotsk Autonomous Okrug Administration

Sergey Aleksandrovich Povodyr, chairman of Chukotsk Autonomous Okrug Duma

Anatoliy Mikhaylovich Yakimov, head of Evenki Autonomous Okrug Administration

Aleksandr Aleksandrovich Bokovikov, chairman of Evenki Autonomous Okrug Legislative Suglan

Yuriy Vasilyevich Neyelov, head of Yamalo-Nenetsk Autonomous Okrug Administration

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Nikolay Andreyevich Babin, chairman of Yamalo-Nenetsk Autonomous Okrug Duma

Russia: Orel Governor Nominated for Federation Council Speaker

LD2301125196 Moscow ITAR-TASS in English 1208 GMT 23 Jan 96

[By Lyudmila Yermakova]

[FBIS Transcribed Text] MOSCOW, January 23 (ITAR-TASS) — Members of the new-composition Federation Council, the upper house of the Russian parliament, named Yegor Stroyev, Orel region administration chief, a candidate for the position of speaker.

A group of senators who proposed Stroyev's candidacy included Moscow Mayor Yuriy Luzhkov.

On Monday, Russian President Boris Yeltsin reportedly welcomed the possibility of Stroyev's election as chairman of the Federation Council.

Also named for the post of the house, comprising Russia's 178 regional leaders, were Chuvashia president Nikolay Fedorov and Yekaterinburg governor Eduard Rossel.

Both Fedorov and Rossel withdrew their candidacies saying they would prefer to concentrate on problems of their regions.

The candidacy of the speaker is to be discussed by the chamber and then voted by secret ballot.

Stroyev was a Communist leader of the Orel region in Soviet times and in 1989 was appointed secretary of the Central Committee of the Communist Party when Mikhail Gorbachev was in office.

In 1993, he was elected governor of the Orel region.

Russian Prosecutor Urges Death Penalty for Chechen Terrorists

LD2301123796 Moscow ITAR-TASS in English 1156 GMT 23 Jan 96

[By Andrey Surzhanskiy]

[FBIS Transcribed Text] MOSCOW, January 23 (ITAR-TASS) — Russia's Prosecutor General Yuriy Skuratov said on Tuesday that all the terrorists involved in the killings of civilians in the Dagestani village of Pervomayskoye will receive severe punishment up to death penalty.

"Terrorism is the hardest kind of crime, and it should be punished adequately," Skuratov said at a session of the new Federation Council.

"A criminal code nowadays should adequately reflect the real situation in the country and take into consideration increasing crime," he said.

The package adoption of a criminal code, a code of criminal procedure, and a penitentiary code is a major task of Russian law-makers, according to him.

"These documents should not focus on liberalisation. On the contrary, a (new) criminal code should be tougher. The Criminal Code we have now was drawn up in a period of romanticism," he said.

According to the Prosecutor General, it is possible to curb rampant crime ravaging the country if all civilians offer their help.

"However, we should be realists. This problem cannot be solved immediately. It will take us a minimum of four to five years to do it," he said.

ITAR-TASS Details Russian Duma Agenda for 23 Jan

LD2301075896 Moscow ITAR-TASS in English 0716 GMT 23 Jan 96

[By Pavel Kuznetsov]

[FBIS Transcribed Text] MOSCOW, January (ITAR-TASS) — Russian State Duma deputies intend to approve deputy chairmen of duma committees at today's plenary meeting. They are expected to elect also the State Duma's Committees for Health Protection and Affairs of the North because these posts turned out to be vacant last Friday when 26 out of 28 committees' leaders were elected.

Thus, most likely, the whole organizational structure of the State Duma of the second convocation will be formed today, and deputies will be able to go to regions for working at their electoral districts. State Duma deputies plan to hold the first meeting of the chamber on January 31.

Duma Appeals Disbanding of Russian Airborne Assault Forces

LD2301120396 Moscow Radiostantsiya Ekho Moskvy in Russian 1100 GMT 23 Jan 96

[FBIS Translated Text] The State Duma appealed to the Russian president to suspend the Defense Ministry decision to disband the Airborne Assault Forces [VDV]. An informed source in the VDV command told our radio station that a corresponding decree — No. 70 — really does exist. And the POSTFAKTUM agency reported that State Duma Deputy Aleksandr Lebed said in the Duma today that the decree will come into force on 1 February and will involve putting the two divisions and

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six brigades of the VDV under the control of the land forces.

Kozyrev Planning To Join Duma Budget Committee

LD2201182296 Moscow INTERFAX in English 1556 GMT 22 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 22 (INTERFAX) — Former Russian foreign minister, State Duma deputy Andrey Kozyrev has decided to concentrate on budget issues rather than international problems and join the Duma's committee on budget, taxes and finance, the committee's apparatus told INTERFAX today.

Chairman of the State Duma Budget Committee Mikhail Zadornov of the Yabloko faction confirmed that he had "heard of Kozyrev's intention." All State Duma deputies will have to decide Monday in which committees they intend to work so that the lists of committees' members can be approved at the Duma's session on January 23, Zadornov said.

Regional Affairs

Tyumen Fuel, Energy Leaders Support Yeltsin's Nomination

MM2201124196 Moscow TRUD in Russian 20 Jan 96 p 1

[Report by Leonid Ivanov: "Fuel and Energy Complex Supports President"]

[FBIS Translated Text] Tyumen — A meeting of representatives of oil and gas complex enterprises has been held in Tyumen. The oil and gas workers of Tyumen, Tomsk, Sakhalin, and Orenburg Oblasts and the republics of Tatarstan and Bashkortostan, and Khanty-Mansiysk and Yamalo-Nenets Autonomous Okrugs have decided to create an interregional initiative group of voters to nominate Boris Yeltsin as a candidate for the forthcoming Russian presidential elections.

Two days earlier in Tyumen a sociopolitical coordination council was created to nominate and support the incumbent president's candidacy for a second term at the elections.

Yeltsin Dismisses Three Regional Administration Heads

LD2201160796 Moscow ITAR-TASS World Service in Russian 1502 GMT 22 Jan 96

[FBIS Translated Text] Moscow, 22 Jan (ITAR-TASS) — Boris Yeltsin, president of the Russian Federation, issued decrees today to relieve of their posts Boris Ivanov, head of the Chita Region administration, at the latter's request, Adolf Laptev, head of the Ivanovo Region administration, according to his wish, and Aleksandr Deryagin, head of the Kaluga Region administration, at the latter's request. This news was issued by the press service of the president of the Russian Federation.

Soskovets Chairs Session on Siberian Concerns

MM2301104696 Moscow RABOCHAYA TRIBUNA in Russian 20 Jan 96 pp 1, 2

[Article by Nikolay Demidov under the "Topical News" rubric: "Oleg Soskovets: It Is Time Not Only for Requests but for Suggestions Too"]

[FBIS Translated Text] Any visit to the heart of Russia by high-ranking officials was traditionally a special event: It was an appropriate occasion to ask for money for socioeconomic development which otherwise took years to extract from the capital's various offices. And it was also an opportunity to brag of advanced experience or local initiative. However, in the West Siberia and Far East regions there is nothing special to boast about now. Furthermore, money is needed not for so-called prestige projects but to enable enterprises and the population to survive on the complex path to the market.

Those particular parts of the country received visits by members of the Russian Government headed by First Vice Premier O. Soskovets in December. The conversations at the oblast and kray centers — Kamchatka, Khabarovsk, Tomsk, Omsk, Chita, and Yuzhno-Sakhalinsk — revealed acute problems in need of immediate solution. Disruptions to fuel supplies, huge amounts owed to power industry and railroad workers, the lack of orders at defense plants, the problems of agricultural production and other urgent issues were posed in no uncertain terms by the local organs of power. Indeed, each of these questions ultimately affects people's living conditions. There is no need to explain what a winter without fuel means in Siberia.

To be honest, the visit was not unproductive. That is shown by the 66 specific instructions which O. Soskovets issued to the federal organs of power. A month was set aside for the implementation of a good half of these instructions. Now that month has passed. At its first session of the new year, the Russian Federation Government Commission on Current Questions decided to find out who has done what and where specifically. It was chaired by O. Soskovets, who looked around the room and described the session as "representative."

Indeed, the audience consisted of representatives of the authorities at regional and federal levels. In short, those people from whom the inhabitants of territories far from the center expect action. Of course, meetings of this kind are not unusual. The main thing is, as they

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say, the result. But here it turned out that many of the instructions are being fulfilled, even if they have not actually been fulfilled yet. Quite a few figures and examples could be cited, but here are just a few. The measures adopted by the Ministry of Fuel and Energy, the Finance Ministry, the "Rosugol" state enterprise, and the "YeES Rossiya" Russian Joint-Stock Company for Maritime and Khabarovsk krays have helped to stabilize those territories' electricity supply. The "Tomskenergo" Joint-Stock Company will not be left without natural gas. And for Kamchatka this year it is planned to cover the cost of producing livestock output.

There are other instances of efficiency and professionalism both regionally and in the center. Perhaps if the state were developing in ideal conditions the "expediter" method would not be very acceptable, but it is still suitable here. The regions' temporary confusion in the market labyrinth is understandable, but it is also important to understand your own personal role in the search for the right road. For example, Omsk Oblast has considerably remedied the defense order situation. That means that thousands of workers in the "top-secret complex" will finally get their pay. But the "top-secret complex" also means the wives, children, and mothers of those skilled workers who were unoccupied for many months. Incidentally, when the question of unpaid wages was raised at the session it changed the tone of the discussion — from amicable to tough and exacting.

One of the Khabarovsk Kray representatives complained that at a number of enterprises workers have not been paid their wages since August. The first vice premier nearly exploded: The debt is just 1 billion rubles for a whole army of defense sectors workers. If you divide the arrears by the number of workers and the number of months you get a figure which is not very large even on a Russia-wide scale and when calculated per capita is just a pittance. But they cannot wait even for that pittance.... I believe that O. Soskovets assessed the situation correctly when he said: "The 'Goskomoboronprom' has avoided paying wages to the workers at its own enterprises." Its own ones! So it is simply disgraceful to pin the blame on others. There must be initiative and true concern for the sector and the region.

Everyone knows how hard people in the Far East have been hit by the elements. They have suffered hurricanes, severe cold, and earthquakes. But the question from Kamchatka Oblast was: A decision on aid has been taken and we have received sympathy — but no money yet. Kind words are all very well but they do not pay the bills. O. Soskovets's answer was precise: A commission will be set up to investigate this case. For our own part let us add that it is necessary to investigate which specific functionaries sitting in their warm Moscow apartments are ignoring the interests of people whose lives after the devastating havoc caused by the elements are essentially dependent on a simple signature on a sheet of paper. This is the money which must be issued.

This is the money which must also be given to workers in the budget-funded sphere — teachers, doctors, culture and sports workers, and educators. Unlike the resourceful wheeler-dealers, they need the money not for private houses and Mercedes cars but for bread and milk. From Chita they complained: The Finance Ministry allocates us funds but immediately takes them back. And the budget-funded workers have been awaiting their hard-earned cash for four months now.

A great many questions remained after the government commission session. Nevertheless, after O. Soskovets's visit some things have changed in specific regions and for specific families in Siberia and the Far East. The first vice premier was right when he said that it is time not just for the regions to make requests but also to make suggestions.

The dialogue between the regions and the representatives of the federal authorities highlighted an important point — there is an understanding of the common task. The fact that G. Fadeyev, Russian Federation railways minister, A. Kokoshin, Russian first deputy defense minister, and other senior officials have invited the regions to cooperate is a good sign. Not as askers and givers but as partners. Both the former and the latter must serve the people. Because whichever way you look at it, that is their purpose in life.

Sverdlovsk Governor Cited on Treaty With Russian Federation

MM2301110196 Moscow ROSSIYSKIYE VESTI in Russian 19 Jan 96 p 2

[Interview with Sverdlovsk Oblast Governor Eduard Rossel, leader of the "Transformation of Russia" movement, by unnamed correspondent in Yekaterinburg; date not given: "Treaty With Urals Guarantee of Federation's Stability"]

[FBIS Translated Text] Yekaterinburg — Governor Eduard Rossel, returning to Moscow after the ceremony of the signing of the treaty between the Federation and Sverdlovsk Oblast, described in more detail to our correspondent the significance of this document of very great importance for the people of the Urals:

[Rossel] I shall not recount in detail the content of the entire package of agreements and the treaty. The agreement alone contains 17 key positions on the development of the region's economy and social life.

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I shall single out the most important thing: Thanks to the treaty Sverdlovsk Oblast is the first Russian kray or oblast to become an equal component of the Federation.

For instance, an individual agreement stipulates the division of property into land, forests, mineral resources, and water resources. Many enterprises which were federally owned are transferred to the oblast's control.

The oblast has also received the right to deduct 10 percent of the proceeds from the mining of rare metals and precious stones in the Central Urals to create its own security fund. Rare metals and precious stones can always be used as collateral to obtain serious outside investments.

An individual agreement stipulates that now federal taxes channeled into financing federal programs in the region will not be "redirected" to Moscow but remain in the oblast at the disposal of the federal treasury. And later through local commercial banks used as agents the funds will be used for their intended purpose.

The importance of this agreement is hard to overestimate. After all, until recently taxes went to Moscow and returned to the region in "truncated" form. Naturally, the turning over of these enormous sums was in the capital's financial structures and the banks' capital increased and sat in Moscow and not in our region.

Now the Central Urals can act as a completely independent partner in foreign economic relations and conclude treaties, within the framework of the Russian Federation Constitution, of course, with the components of foreign federative states. Finally, the treaty also provides for additional subjects of joint control with the center. They include enterprises of the defense complex and programs for their conversion and the district's agro-industrial complex.

Not everything which we planned in the package of agreement has been successfully defended in the period of the documents' preparation for signing. But now the people of the Urals have a far greater opportunity to dispose of the region's very powerful potential sensibly and most effectively.

In this connection I want to stress that our oblast will be able to realize the new opportunities only if there is stability in Russia's top state leadership. So if Russian President Boris Yeltsin decided to run at the forthcoming main elections, as governor of his native oblast I shall take every step to promote Boris Nikolayevich's victory.

Kabardino-Balkar President Appoints Ministers

964F0773C Nalchik GAZETA YUGA in Russian 5 Jan 96 p 1

[Unattributed article: "Appointments"]

[FBIS Translated Text] By an edict of the president of the Kabardino-Balkar Republic, the following were appointed:

Safrail Kuchmezokov—manager of affairs of the president and Cabinet of Ministers (government), member of the Cabinet of Ministers (government);

Sultan Abrokov—minister of architecture and construction;

Azretali Kugotov—head of the local administration of Zolskiy Rayon;

Zhamal Attayev—head of the local administration of Elbrusskiy Rayon;

Yuriy Altudov—chairman of the administrative committee of the program "Stabilization and development of the KBR economy and the creation of free economic zones on its territory;"

Amdulkhamid Shukhostanov—chairman of the State Committee for Administration of State Property.

Russia: Khabarovsk Police Launch Operation To Reinforce Order

LD2301094896 Moscow ITAR-TASS in English 0744 GMT 23 Jan 96

[By Boris Savelyev]

[FBIS Transcribed Text] KHABAROVSK, January 23 (ITAR-TASS) — The Khabarovsk police launched an operation code-named "Regime" on Monday [22 January] to tighten control over foreigners staying in the region. The passport and visa regional Interior department reported that last year, the number of incidents in which foreigners staying in the region violated visa regime was over 7,000.

The biggest number of sanctions for violating the law was taken against Chinese citizens who fail to register, violate Russian laws and are often involved in criminal activities. Despite fines and other sanctions, many Chinese citizens were repeatedly punished by law. Last year, 27 people detected in outrageous violations had to be deported from the Russian territory. Foreigners illegally staying in the country without being registered by the local authorities often fall victim to criminal assaults committed both by their compatriots and Russians as well. The number of crimes committed by foreigners in the region last year was put down at 417.

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The "Regime" operation will continue for a month. On the very first day after the operation began four Chinese citizens were detected notorious for outrageous violation of the rules of the presence of foreigners on the Russian territory, who will be deported from the country.

Russia: Nalchik City Elects New Council

964F0773B Nalchik GAZETA YUGA in Russian 5 Jan 96 p 1

[Unattributed article: "The New Mayor of Nalchik"]

[FBIS Translated Text] The newly elected Nalchik city council is a purely male gathering. Of the 26 deputies who compose it, there is not a single woman.

The council includes 16 Kabardins, four Balkars, four Russians, one Belarusian, and one Armenian. All the deputies have a higher education and two are candidates of sciences.

The Communist Party is represented by two members.

The first session of the city council was held on 29 December. It was an organizational meeting. Present at the session was KBR [Kabardino-Balkar Republic] President Valeriy Kokov, Vice President Gennadiy Gubin, and Security Council Secretary Yuriy Ketov.

In compliance with the Law on Local Self-Government in the Kabardino-Balkar Republic and at the president's suggestion, Mukhamed Shogenov, who previously worked as leader of the president's apparatus and the Cabinet of Ministers, was elected by a majority of votes to be chairman of the council and at the same time head of the administration of Nalchik.

Valeriy Kokov warmly thanked the ex-mayor of Nalchik, Sultan Abrokov, for his self-sacrificing labor during a period that was extremely difficult for the city and the republic, and for his firmness and persistence in solving the problems facing him.

Mukhamed Shogenov, 51. Graduated from engineering-technical department of KBGU [Kabardino-Balkaria State University] and the Academy of Social Sciences under the CPSU Central Committee. He has worked as head architect of Nartkal, director of the ZhBI plant, and deputy chairman of the Nartkal City Executive Committee. Since 1981 he has been engaged in party and state work. He was chairman of the State Construction Committee of Kabardino-Balkaria, second secretary of the Nartkal CPSU City Committee, and chief of the PSO Kabbalkvodmelioratsiya. Since February 1993 he has been manager of affairs of the KBR Cabinet of Ministers, and since 1995—leader of the president's apparatus and the Government of the KBR.

Economic Issues

Russian Experts Cite Three Economic Scenarios

MK2301071196 Moscow SEGODNYA in Russian 19 Jan 96 p 2

[Report by Dmitriy Volkov: "Economists Now Dare To Think About the Year 2000. Most Probably, Stagnation Will Persist Till the Next Millennium"]

[FBIS Translated Text] Yesterday, the Expert Institute of the Russian Union of Industrialists and Entrepreneurs presented its report "Russia on Its Way to Year 2000." According to Andrey Neshchadin, director of the institute, "the economic situation permits only longterm forecasts." The report says that this has been made possible by the "stabilization of major trends in the development of Russia over the past year." Prominent Russian economists, such as Sergey Aleksashenko, former director of the institute and incumbent deputy chairman of the Central Bank, Milkhail Delyagin, Oleg Grigoryev, and others, took part in the preparation of the report.

As usual the economists presented three possible scenarios: "pessimistic," "optimistic," and "most probable." The first one will occur should the government choose "to take its time," before the presidential elections without making any resolute moves to promote the reforms, or if it takes a paternalistic approach based on the "responsibility" of the state to preserve the basic sectors of the economy. Under this scenario, the "collapse of normal economic life" awaits Russia, and the stabilization of the economy will occur in the next century, possibly using extreme measures.

The "optimistic" scenario presupposes that within the next few months the government will prove capable of consistently counteracting inflation and the pressure of lobbyists, due to an adequate structural and industrial policy. In this case, conditions for a sustained economic rise will emerge as early as this year.

Under the "most probable" scenario, the experts forecast at a minimum another loosening of monetary policy, which will be inevitably followed by new stabilization efforts, after which further developments will follow the "optimistic" scenario but, naturally, with a delay of several years and under much tighter restrictions. In this case, stagnation will persist for another four years.

According to Sergey Aleksashenko, who presented the report, Russia is carrying out market-oriented reforms at a slower pace than other countries of the former socialist camp predominantly due to the "non-comprehensive character of the reforms." "It cannot be said that a macroeconomic stabilization has already been attained," he said. A low rate of tax collection because of the

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inability of the state to pursue an efficient policy in this area was called a key problem. According to data available to the institute, up to 40 percent of industrial enterprises in Russia do not pay taxes at all, which Mr. Aleksashenko termed "a peculiar pattern of behavior," shown by the management of these enterprises. In this connection, he predicted a serious budgetary crisis, causing the government to have problems funding current expenses as early as this year.

Speaking about institutional changes, Mr. Aleksashenko noted that three-quarter of enterprises have come under the control of their management, which is a major obstacle for attracting external investments, since directors are afraid to lose control over the property they have acquired. Privatization in favor of work collectives — in fact, the managerial staff — has failed to solve the problem of economic efficiency of enterprises in any way. Naturally, this problem cannot be solved by any deprivatization attempts. Therefore, Mr. Aleksashenko believes that the only thing to do is for the state to initiate bankruptcy procedures in the courts. This, in his words, "will threaten those enterprises failing to pursue efficient economic strategies with a change of ownership."

Mr. Aleksashenko, who acted at the presentation of the report as one of its authors, rather than as deputy chairman of the Central Bank, said that "it cannot be definitely stated that economic reforms have become irreversible." "We cannot come back to the economic system of 1980, but, unfortunately, the chance that we can come back to the economic chaos of 1991-1992 for the period of 3-6 months or 5-6 years is still there," he said.

Russia's Zaveryukha on Support for Domestic Food Producers

MM2301104296 Moscow SELSKAYA ZHIZN in Russian 20 Jan 96 p 1

[Report by Nikolay Skorolupov: "Traditional Moscow Fair"]

[FBIS Translated Text] Muscovites and the capital's guests were offered a fabulous abundance of the most diverse food products at the traditional, sixth, Moscow Wholesale Food Fair organized by the city government and the Russian Federation Ministry of Agriculture and Food.

About 1,000 envoys from major agrarian regions in Russia and six of the near-abroad states took part, along with leadership workers from the Ministry of Finance, the Ministry of the Economy, and other Russian ministries and departments and representatives of about 100 commercial organizations and enterprises in wholesale and retail trade and fruit and vegetable associations.

Opening the fair, V. Morozov, leader of the Moscow Government Department of Food Resources, particularly stressed the great potential of Moscow's food market: In the current year 650,000 tonnes of meat will be bought for the city's needs, 70,000 tonnes of butter, 130,000 tonnes of vegetable oil, 45,000 tonnes of dried milk, and some 500,000 tonnes of granulated sugar.

At the same time a large part of the requirements for these products are still supplied by export purchases from America, the West European countries, and other states. Last year was no exception: The capital's entrepreneurs at various levels gave preference to "Bush's drumsticks" from across the ocean [chicken legs, so called in reference to President Bush's food aid] and other foreign meat and dairy products, to the detriment of the domestic commodity producer's interests. Because of this, many poultry units in the Moscow area and other regions and large specialized fattening complexes went bankrupt. Russians find it hard to see who benefits from this collapse of vitally important sectors.

Experience and practice at many agricultural enterprises demonstrates that the Russian peasant is capable of meeting demand for the products of fields and livestock units and being on equal terms in the competitive struggle on the world market. For instance, farms in the Moscow area have for years been delivering the required quantity of various vegetables and potatoes to the capital's market. In recent days many of them have concluded mutually advantageous contracts for the delivery of vegetables and potatoes, making provision for the allocation of funds from the capital's budget for the implementation of a range of field work.

Speaking at the opening of the fair, Vice Premier of the Russian Federation Government A.Kh. Zaveryukha, addressing the participants, particularly stressed the urgent need to support the domestic commodity producer.

"Only on this condition," he observed, "will we resolve the highly acute and urgent problems of the agro-industrial complex and be able to overcome the decline in production and increase deliveries of milk, meat, eggs, their processing products, and other produce to the Russian market. Without this we cannot resolve our age-old social problems and success for democratic transformations in the country is impossible. We must subsidize agriculture and the entire agro-industrial complex, as is done throughout the world."

Yesterday the Moscow Wholesale Food Fair ended, handing on the baton of mutually advantageous cooperation among the producers and consumers of output

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to the "Mosprodyarmarka" Moscow Food Fair Center, which is expected to open any day now.

Russia: Nazarchuk Rules Out Upturn in Agriculture

MM2201152096 Moscow SELSKAYA ZHIZN in Russian 20 Jan 96 pp 1-2

[Interview with Aleksandr Nazarchuk, outgoing Russian minister of agriculture and food, by the SELSKAYA ZHIZN editorial collective at the editorial office, "transcribed by Anatoliy Sidorov"; date not given: "Aleksandr Nazarchuk: I Cannot Imagine Life Without the Countryside"]

[FBIS Translated Text] We have a long-established tradition of introducing to readers the top officials and major politicians appointed to lead the country's agro-industrial complex or represent it in the highest legislative assembly. However, as a rule, on leaving the political arena and quitting a high post, these people have not appeared in the newspaper to give an account of the work done. This time we decided to break with that tradition, and as soon as Aleksandr Nazarchuk announced at last Friday's Agrarian Party plenum that he is to leave his post, we invited him for an interview.

The outgoing minister was respected both by leaders of the agrarian complex, and by specialists, and by ordinary rural workers. This makes his evaluations, predictions, and proposals all the more valuable, accurate, and important.

[SELSKAYA ZHIZN] Aleksandr Grigoryevich, we agrarian journalists, the newspaper's readers, and the broad public are interested above all in the reasons for your resignation. What was it — your own personal wish, and if so, what dictated it, or was it after all a decision by the higher leadership dictated by complaints of some kind against you?

[Nazarchuk] I am grateful to you for the opportunity to meet with you at the editorial office and explain not only the reasons for my resignation, but also the situation in the country's agrarian sector and to get across to Russians, especially rural inhabitants, the prospects for the development of agricultural production in 1996 and up to the year 2000 — I hope a program for that will eventually be adopted by the government.

At my first meeting with the premier after my appointment to the post of minister, I said I saw it as the purpose of my job to defend the interests of the sector and of those who work and live in the countryside. After all, 40 percent of Russians associate their future and the vital problems of their lives in one way or another with the agro-industrial complex. There are the 7 million people who work in agricultural production and their families. In addition, the rural rayon centers are totally dependent on how the agrarian complex works. Education, culture, communications — everything in the provinces depends on the agrarians' work. On the basis that we MUST defend the peasants in our country, I agreed to take the post of minister. But at the same time I said immediately, and subsequently repeated more than once, that as soon as I felt I was unable to do what I intended, I would leave the post of minister.

[SELSKAYA ZHIZN] Aleksandr Grigoryevich, 14 months is not long enough for a leader at that level to do anything notable, but it is long enough to look around and see where you are working and with whom. Isn't that so?

[Nazarchuk] Not entirely. I understood what my place was within the present government much earlier. After an extended session of the government at the end of April last year, at which the president spoke, devoting most of his time to nontargeted budget expenditure and also expressing his vision of the development of the agro-industrial complex, I submitted a statement to the president and the premier to the effect that I am categorically opposed to such an approach on the part of the government to the agro-industrial complex and requesting to be relieved of my post as minister. There was an interval of a week. Then I met with Chernomyrdin. He said that he had confidence in me as minister, that I must do my job, and that my resignation would not help the peasants. Today I say again that I have exhausted my moral and physical reserves to continue to serve the goals that I indicated when I took the post of agriculture minister. Back on 28 December last year, at a government session, it was made clear to me that I should resign, and I submitted a statement expressed in the terms proposed to me. I was promised the post of director of a scientific research institute in the Moscow region, but I turned it down. But that is not the most important thing for me.

[SELSKAYA ZHIZN] What is most important?

[Nazarchuk] What is most important? What I and the rural workers gained from my 14 months' work in the post of minister. When I was still chairman of the State Duma Committee on Agrarian Questions, I was involved in the adoption of two laws: "On Purchases and Deliveries of Agricultural Products, Raw Materials, and Food for State Needs" and "On Agricultural Production Sharing." When I came to the ministry later, of course I concentrated all my efforts on ensuring that these laws came into play. Also, I was aware of the powerful support of the Agrarian Party of Russia faction behind me. My second wish was to adopt a law on state

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regulation of the agro-industrial complex and formulate a program for the stabilization of the sector through the year 2000.

At the first reading of the law on state regulation of the agro-industrial complex we received the following resolution from Chubays: "This law disrupts the economic policy of the government and president, and I deem its adoption inexpedient." By means of incredible efforts and after a great many concessions, we got this law through the government, the State Duma, and the Federal Assembly. But the president still did not sign it. Therefore I said that in these conditions I can see no point in continuing the struggle.

[SELSKAYA ZHIZN] Aleksandr Grigoryevich, don't you think you backed off too quickly, that you were in too much of a hurry to give up? After all, the struggle for the peasantry's interests was never easy or any too fruitful, and that is particularly true in the present situation. After all, there is still room for hope, isn't there?

[Nazarchuk] Then this is my answer: If our analysis centers were working objectively today, we would be able correctly to evaluate predictions for the development of agricultural production, which the state abandoned to the whim of fate at the beginning of 1992. But in our country these centers work to special orders, and the true scale of the catastrophe in Russia's agricultural production cannot be deduced from their studies. Today it is possible to say precisely that we have WASTED the entire potential of Russia's agro-industrial complex. I assure you that stabilization will not come to the agro-industrial complex in 1996, nor in 1997, FOR OBJECTIVE REASONS. Even if people who understand the need for state support for the agro-industrial complex join the government today, even if the new State Duma repeals the law prohibiting the granting of state bank credits to agrarians, all the same — stabilization will not come! It is not possible to rectify the situation that the country's agro-industrial complex is in.

[SELSKAYA ZHIZN] Is everything really as gloomy as that? Wouldn't substantial credit injections and the provision of equipment, fertilizers, and fuel help the countryside to revive? That is an apocalyptic view! Aren't you threatening us — excuse the bluntness — like all retirees, that everything will fall apart without you?

[Nazarchuk] I'm not threatening anyone, and as I have already said, I am not running away from the agrarian sector. That's not the point at all. First and foremost, we have lost what is most important — the peasants' belief that food security and the peasant's labor are the foundation of society's stable development. After all, every day and every hour people are telling us that there is nobody left to work in the countryside, and where there are any workers, they are drunkards. We don't know yet where people drink most: in the countryside or in the city. But one thing is clear: The peasant drinks out of hopelessness. He knows he can no longer live on the wages he gets for productive work. Second, today we have basically lost the foundations of agricultural production. For two successive years we in Russia have been unable to sow or harvest the crop as we should. For what we do harvest, we should be deeply grateful to those who work around the clock and whom the present reformers accuse of drunkenness and idleness. We can carry out only 50 percent of the volume of mechanized work because we have exactly half the required equipment.

The third area which we cannot, in practice, influence rapidly is livestock raising. It is here that the most valuable food products are produced, and we have LOST ITS FOUNDATIONS. In the public sector, only 37 percent of the former numbers of sheep are left. Less than 50 percent of the hogs are left. Cattle numbers are down 35-40 percent. All the talk of how the livestock numbers lost from the public herd have been recovered in private farming is a bluff. Last year livestock numbers under personal ownership also fell markedly. Some sectors, such as sheep raising, for instance, have already been lost BEYOND RECALL. First and foremost because skilled cadres are being lost. Fourth — despite the huge decline in consumption of food products and the dramatic reduction in production, the storehouses are packed full with these products and there is no possibility of selling them so as to ensure at least a minimal level of development of production. This phenomenon is due to the fact that effective demand has virtually disappeared in Russia.

It is ridiculous to think that tomorrow we in Russia will be receiving wages at world levels. But in terms of costs, what is used in order to obtain our agricultural output has already reached world price levels. Our peasants buy fuels and lubricants at higher prices than their counterparts in the countries that set world prices for output. Russian fertilizers are more expensive on the domestic market than world prices. The cost of equipment is also approaching world levels. In order to recoup all the expenditure on production, our peasants must sell output at world prices which (and this is a phenomenon too) are, for a number of reasons, higher (!) than worldwide prices. [sentence as published] That is practically impossible.

Gaydar used to complain that he had to wait in line for milk. But in 1991 some 56 million tonnes of milk was produced in Russia, at those prices. Last year it was only

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36 million tonnes. If purchasing power was the same, nowadays the whole country would be waiting in line for milk from dawn to dusk.

[SELSKAYA ZHIZN] Let's not talk about Gaydar. The people have consigned him to ignominious oblivion, and that is enough. Reshuffles are taking place now in the government, new people are coming in. It cannot be ruled out that this year the situation in the agrarian sector will begin to be remedied. What do you think?

[Nazarchuk] Taking into account the budget adopted for this year, peasants should not expect any improvement at all. We submitted to the government a draft decree on the conditions for the functioning of the agro-industrial complex this year three months before the end of the year. It should have been submitted after being agreed. But agreeing the draft, in the form in which we understand it, with the Ministry of Finance and the Ministry of the Economy is practically impossible. It has not been agreed to this day. January is nearly over, and in February it is necessary to start top-dressing 15 million hectares of winter-sown crops which did not receive a single kilogram of fertilizers at sowing time. Today Russia's RURAL COMMODITY PRODUCERS have no money to buy fuel, equipment, and fertilizers. Last year we obtained commodity credit. But on what terms! Fuel prices under this credit were in many cases higher (!) than at commercial gas stations. Now they are offering to give the peasants credit so that they can choose their fuel suppliers on a competitive basis. In Russia today there are 250,000 private farmers and around 30,000 collective farms. Apparently they are all supposed to go around the country looking for a cheap fuel merchant. In order to buy fertilizers, the peasant has to surmount such a palisade of intermediaries that they become inaccessible to him. And for a long time we have not applied lime or gypsum to the soil. Fertilizers have been applied at the rate of 11 kg per hectare of plowland, which is next to nothing.

In a normal state one peasant provides work for four or five workers. In our country today, he does not even work himself. Therefore the entire machine building sector which produces equipment for the countryside is at a standstill. There is no money to start it up. To my great distress, 80 percent of food products in Moscow are imported from abroad. The sectors and structures that have died out are first and foremost those that were the best developed in both technological and organizational terms. Poultry units have died out. There is no prospect of their revival given the government's present approach to agricultural production. Fur farming has been wiped out. We were always world fashion-setters in furs.

Large cattle and hog fattening complexes have been lost. Such as, for instance, the famous "Omskiy Bekon." I was recently in the Altay, at the "Prudskoy" fattening sovkhoz. They used to keep 29,000 steers there for fattening, with weight gains of 920 grams per day. Now they have 5,000, with a weight gain of 830 grams. Milk yields in the country have fallen by an average of 1,000 kg a year. The premier has signed six decrees and protocols on rural issues, and not one of them has been fulfilled.

Representatives of the Ministry of Finance and the Ministry of the Economy believe for some reason that I, in showing concern for state support for the agrarian complex, am lobbying for somebody's personal, mercenary interests. Yet no state in the world that produces agricultural products abandons its producers. The biggest food exporters — countries with a developed agrarian sector — contribute between 17 and 80 percent state subsidies to their peasants' incomes. It is only in our country that the great economists and financiers think our agricultural production is self-sufficient! Last year the agro-industrial complex of the whole vast country of Russia was allocated the same amount in subsidies to support it as Finland allocates. In our country everything is handed over to the banks. It is no accident that butter goes up in price by 8 percent a month — after all, the credits for buying it come from the bank at 90 (!) percent interest. Interest payments alone on this credit eat up all the possible income. But the government seems not to notice this economic absurdity and goes on arguing that agricultural production is a black hole and however much you pour into it, nothing comes out.

Of course, one can reconcile oneself to it, say that everything is fine in the ministry, not make waves, not contradict, not express dissatisfaction. But I did not consider such behavior possible for myself. Whatever arguments may be raised, it remains a fact that I made the government uncomfortable.

[SELSKAYA ZHIZN] What do you intend to do with your future life?

[Nazarchuk] I can tell you definitely that I cannot imagine living and working outside the agrarian sector. I grew up in the Altay, as a man and as a leader. There is a strong Agrarian Party organization there. So I intend to settle back home. I have not lost heart. But I would not want to be a nuisance to anyone, either. Whatever post I find myself in, I will try to defend the agro-industrial complex to the best of my ability.

[SELSKAYA ZHIZN] Whom do you see as your successor in the post of minister?

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[Nazarchuk] A strong institution of deputy heads of administrations for rural affairs has become established in Russia. I could give you dozens of suitable names. There is a different question here — what is the minister wanted for? If it is to work to strengthen agricultural production, then there is a wide choice of cadres. If it is for some other purpose, there will be other people.

[SELSKAYA ZHIZN] What might make the country's leadership change for the better the situation that has developed in agricultural production?

[Nazarchuk] I repeat — there is not going to be an upswing in agricultural production in 1996, come what may. In market relations, whatever does not bring in an income disappears. In our country, the whole of agriculture does not make a profit. Once we are dependent on other countries for food, we will be forced to live by their orders. There is no alternative.

[SELSKAYA ZHIZN] What are the prospects for the Agrarian Party of Russia?

[Nazarchuk] It is necessary to examine calmly and in detail the reasons for the election failure. The recent plenum did nothing except settle scores. The main blame, of course, rests with Lapshin as party leader. So it is necessary to change the leadership, do more work on the party program, and prepare for the congress. But the party certainly must not be written off — the peasants must have their own political organ.

[SELSKAYA ZHIZN] We are grateful to you for the frank and generous interview, and we will be happy to see you at the editorial office again.

[Nazarchuk] Thank you for the rare opportunity to talk openly to Russia's peasants from the pages of a newspaper that I hope they, as well as we agricultural leaders and politicians, will support in every way. Till next time.

Russia Okays French Loans to Kabardino-Balkaria Schemes

MM2201142996 Moscow ROSSIYSKAYA GAZETA in Russian 20 Jan 96 p 6

[Russian Federation Government Directive No. 1732, signed by Russian Federation Government Chairman V. Chernomyrdin and dated 18 December 1995, Moscow; followed by commentary by Aleksandr Linkov under the general headline "Russian Federation Government and the Regions: Kabardino-Balkaria. Chance of Becoming Strong" — from the "Documents" section]

[FBIS Translated Text] 1. It is deemed desirable to raise French credits for funding the Kabardino-Balkaria Government's purchase of:

equipment and technology for the development of a telecommunications infrastructure worth a total of up to $34.6 million;

equipment and technology for the production of infusions, medicinal preparations, and medicinal components for children's food worth a total of up to $29.9 million.

The Russian Finance Ministry and the Vneshekonombank [Bank for Foreign Economic Activity] are to sign with the French Side the documents needed to raise the said credits.

2. It is prescribed that advance payments, repayment of the basic debt, and the payment of interest and commission on the credits being raised are to be made by the Kabardino-Balkarian Government in the amounts and at the times specified by the relevant credit agreements.

3. The Russian Finance Ministry and the Vneshekonombank are to conclude agreements with the Kabardino-Balkarian Republic Government on counterguarantees regarding the repayment of the credits mentioned in Paragraph 1 of this directive.

4. The Russian Ministry for Foreign Economic Relations is to ensure operational control over prices and the commercial and monetary terms of the contracts being concluded on the strength of the credits being raised in accordance with this directive.

[Signed] Russian Federation Government Chairman V. Chernomyrdin

Commentary

What is Kabardino-Balkaria? It is 12,500 square km of flat, foothill, and mountainous areas. It has an advantageous geographical position, favorable natural climatic conditions, mineral and raw material resources, and well-developed transport communications. But it has not escaped the general crisis phenomena. Currently almost 80 percent of the Kabardino-Balkarian budget is subsidized.

At the end of last year the Russian Federation Government approved the "Stabilization and Development of the Kabardino-Balkarian Republic economy" program. The document's main aim is that the republic should achieve budget self-sufficiency by 2000, reaching a level whereby it receives its own funds of between 900 billion and 1,000 billion rubles in 1995 prices.

The reality of all settlements is based on the existing production base. For example, the republic possesses over 50 percent of the world's potential resources

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and output of wolfram and molybdenum products and vast resources of tuff, whose quality is not inferior to Armenian tuff and in certain respects is even superior. There are 30 million tonnes of geologically confirmed oil reserves and forecasts indicate another 300,000 tonnes. There is the prospect of extracting up to 100 kg of gold per year.

The abundance of mountain rivers and the construction of small and medium-sized hydroelectric power stations on them will enable the republic to fully provide for its own needs.

Naturally, it will take considerable resources to implement the planned program. In the authors' opinion they will come not only from the federal and republic budgets. There is confidence that it will be possible to raise extrabudgetary funds and attract private domestic and foreign investment. Thus, for example, the program envisages the raising of foreign credits worth $300 million guaranteed by the Russian Federation Government. Investors will be given tax breaks, and local free economic zones and an international offshore center will be set up to stimulate business activity.

Control over the program's implementation is being entrusted to an administrative committee whose head is appointed by the Kabardino-Balkarian Republic president. While a special enterprise — the "Development" corporation — is being set up to directly implement the whole plan.

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International Affairs

Russian-Ukrainian Talks on Oil Transit Tariffs Held

LD2201201996 Moscow INTERFAX in English 1852 GMT 22 Jan 96

[FBIS Transcribed Text] KIEV, Jan 22 (Interfax - Ukraine) — Ukraine and Russia are now holding talks on tariffs for the transit of Russian oil by the Druzhba (Friendship) pipeline network to Hungary, the Czech Republic and Slovakia via Ukrainian territory.

The talks are being held at the Ukrainian State Oil and Gas Industry Committee in the Ukrainian capital Kiev.

The Russian delegation at the talks includes deputy fuel and energy ministers Anatoliy Kozyrev, Yevgeniy Morozov and Petr Nidzelskiy and the heads of Russia's Transneft, Rosneft, Neft, LUKoil, Slavneft, Slavoil and YUKOS companies, Interfax-Ukraine has learned.

Ukraine is represented at the talks with Russia by a deputy chairman of the State Oil and Gas Industry Committee, representatives of the ministry for the economy and the ministry for foreign economic relations and trade and Director General of the State Enterprise for Druzhba Main Oil Pipelines Lyubomir Bunyak.

The talks are expected to end on Tuesday.

Ukraine raised tariffs on transit of oil by the Druzhba oil pipeline network by an average of 10 percent, or to $5.2 per transit of 1 tonne of oil for 100 kilometers, from January 1, 1996. The Russian Fuel and Energy Ministry has objected to this tariff hike.

Deputy Director of the State Enterprise for Druzhba Main Oil Pipelines Bogdan Fedushinskiy told Interfax - Ukraine in Lvov today that Russian oil was currently being transported to Slovakia and Hungary. Oil transportation to Hungary, which was suspended several days ago on Hungary's request, resumed on January 22. Russian oil is now being transported in line with contracts with Russian companies under Ukrainian-proposed new transit tariffs.

Ukraine Argues With Russia Over Tariffs

LD2201215196 Moscow ITAR-TASS in English 2144 GMT 22 Jan 96

[By Mikhail Melnik]

[FBIS Transcribed Text] KIEV, January 23 (Itar-Tass) - Ukraine said on Monday it will not reduce the new tariffs for the transportation of Russian oil to Eastern Europe through its territory.

Ukraine insists that Russia pay 5.2 U.S. dollars for pumping one tonne of oil through each 100-kilometer stretch of its Druzhba pipeline.

Russian and Ukrainian delegations began talks on Monday in a bid to resolve the conflict.

A source in Ukrneftegazprom, Ukraine's state-run oil and gas company, told Itar-Tass that originally the Ukrainian delegation wanted to demand 6.2 U.S. dollars. Its estimates are "kept secret," although some of them have been mentioned at the talks.

In the evening, the delegations adjourned to allow their experts to work in commissions in order to try to find "a common approach to the transit of Russian oil." Their conclusions will be announced on Tuesday.

Prior to the talks, Ukrneftegazprom director Yevgeniy Dovzhok told Itar-Tass that the Russian delegation was trying to link transit tariffs to the price of oil Ukraine receives from Russia and the cost of its transportation in Russia.

However, he believes that such an approach is "more than incorrect." The Russian side will have to either pay for the transit or leave that to the oil importers with whom Ukraine will sign direct contracts, he said.

Ukrainian Minister Discusses European Transport Network

AU2301114096 Kiev HOLOS UKRAYINY in Ukrainian 18 Jan 96 p 2

[Unattributed report from Budapest: "A Bridge Across the Tisza"]

[FBIS Translated Text] As UKRINFORM has learned from the Ukrainian Embassy in the Hungarian Republic, a Ukrainian delegation, headed by Minister of Transport I. Dankevych, is presently in the Hungarian capital. The delegation is discussing with K. Lotz, Hungarian minister of transport, telecommunications, and water management the course of fulfillment of Ukrainian-Hungarian accords and prospects for the development of bilateral and multilateral relations in the European transport branch: The development of the transport network connecting Italy, Slovenia, Croatia, Hungary, Slovakia, and Ukraine and the transport railroad corridor Trieste-Ljubljana-Zagreb-Budapest-Zakhon-Chop-Kiev.

The accord on rebuilding the automobile bridge across the Tisza River at the Ukrainian-Hungarian border that was in the process of preparation over last 10 years may be considered as the main result of the talks.

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Czech Republic, Ukraine Interested in Joint Nuclear Fuel Production

WS2301093096 Kiev INTELNEWS in English 0045 GMT 23 Jan 96

[Item attributed to "INFOBANK"]

[FBIS Transcribed Text] Kiev, Jan. 21 — The Czech Republic is interested in forming a joint venture in Ukraine for the manufacture of nuclear fuel, and for this reason Skoda-Plzen has filed an application to take part in an international tender for the construction of a nuclear fuel production plant in Zhovty Vody, Ukraine.

On Friday [19 January], Ukrainian Environmental Minister Yuriy Kostenko returned from a trip to the Czech Republic, were he visited the Temelin nuclear power plant and familiarized himself with the way in which specialists from Skoda-Plzen are preparing to transfer the plant from the utilization of Russian nuclear fuel to fuel produced by the American firm Westinghouse.

The first secretary for economics in the Czech Embassy in Ukraine, Miroslav Janus, said that Czech industry has the know-how to manufacture nuclear fuel for power plants.

The joint utilization of such fuel would be convenient for both countries, Janus said, since Russian nuclear fuel, which is used by Ukraine, and the American fuel produced by Westinghouse, which is transported to the Czech Republic in specially equipped planes, are very expensive.

National Affairs

Kuchma Interview on Constitution, Chernobyl, Russia TV

MK2301071596 Moscow NEZAVISIMAYA GAZETA in Russian 20 Jan 96 p 3

[Interview with Leonid Kuchma by Viktor Timoshenko: "Leonid Kuchma Is for Bicameral Parliament. President Proposes Joint Solving of Chernobyl Problem."]

[FBIS Translated Text] Ukraine President Leonid Danilovich Kuchma is answering questions from your NEZAVISIMAYA GAZETA correspondent on the eve of the CIS Summit.

[Timoshenko] Leonid Danilovich, NEZAVISIMAYA GAZETA is the only Russian paper to have published the full text of Ukraine's draft Constitution. What are the problems involved in passing it, and when a Verkhovna Rada decision can be expected?

[Kuchma] I thank NEZAVISIMAYA GAZETA for the fact that you published the full text of the Constitution of Ukraine. I thank it even more for those wise and competent commentaries carried by your newspaper with regard to the constitutional process in Ukraine and the contents of the Constitution. Indeed, the Constitution of Ukraine was drafted by professional top-skill jurists. There are differences, moot questions. First and foremost, there is the problem of power: Whom will it belong to, what parliament will be like — one-chamber or two-chamber. In my view, the only guarantee against turning back is a bicameral parliament. And finally, the problems of power delimitation. It is on these three question that the passage of the Constitution of Ukraine depends.

[Timoshenko] How are Chernobyl problems being solved? Can Ukraine economically solve the social problems of the people who live in the zone with increased radiation today?

[Kuchma] The fault of Ukraine, Belarus and Russia is that we are paying insufficient attention to the solution of the Chernobyl tragedy problems. No, we did not hush up the Chernobyl problem, but neither did we attach due importance to it. Succeeding generations will not forgive us for this sin. Nobody has realized yet the consequences of Chernobyl, and we do not know of all the misfortunes this tragedy is yet to bring. It is simply frightening to speak of things happening there. Ukraine will not lick the Chernobyl problems on its own.

[Timoshenko] The flow of information — primarily cultural and scientific, has narrowed for Ukrainian viewers with the curtailment of Russian television broadcasting. The viewers have become hostages of an information blockade....

[Kuchma] I do not understand this question. Ukraine is getting Channel One [ORT]; only it is carried on the Russian television Channel Three. From the technical point of view, Channel One is, of course, better. How about from the point of view of national interests, you may ask? Why should we turn over the best channel to a neighbor state, even if friendly? And, more importantly, to be paid nothing for this. ORT covers 90 percent of Ukraine's territory, but Ukraine, I dare say, has nothing to do with the functioning of ORT. And proposals are such: Channel One should be joint — Russia's and Ukraine's — so that Ukraine would influence organization of work of this channel, so that at least some information could be provided about Ukraine. This influence is indeed unilateral today. The channel operates like a check valve letting information through one way and shutting its flow the other way.

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Kuchma Attends Security Service Meeting

AU2201145696 Kiev URYADOVYY KURYER in Ukrainian 16 Jan 96 p 1

[Report by the Press Center of Ukraine's Security Service: "A Meeting of Ukraine's Security Service Board"]

[FBIS Translated Text] On 15 January 1996, Ukraine's Security Service held an expanded session with the participation of Ukrainian President Leonid Kuchma.

In his report "On the Results of Service Activity in 1995," Volodymyr Radchenko, head of Ukraine's Security Service, made a profound and critical analysis of the activity of the Security Service subdivisions in counteracting espionage by foreign special services, protecting the state's territorial integrity, combating organized crime, and other efforts aimed at ensuring national security.

Speaking to the board, Ukrainian President Leonid Kuchma gave a principled evaluation of the activity of the Ukrainian special service, focusing on the positive achievements and shortcomings in its work, and also specified priority tasks in protecting the country's state security.

V. Horbulin, secretary of the Presidential National Security Council, and Ukraine's Prosecutor General H. Vorsinov took part in the work of the board.

Ukraine: Agreement Reached on Turning Over Black Sea Facilities

LD2201175196 Moscow INTERFAX in English 1404 GMT 22 Jan 96

[FBIS Transcribed Text] Sevastopol, January 22 (Interfax-Ukraine) — It has been decided to complete before March 10 this year the fulfillment of the plan for turning over and acceptance of the BSF [Black Sea Fleet] facilities and ships to Ukraine's Navy.

Agreement to this effect has been reached in the course of the meeting between Vice-Admiral Volodymyr Bezkorovayny, commander of Ukraine's Navy, and Rear Admiral Konstantin Kolotygin, representative of Russia's Chief Naval Staff and the Commission of the Black Sea Fleet, an IF-U correspondent has been told at the Ukrainian Naval Headquarters.

As was pointed out at the Headquarters, real prospects for the implementation of the agreements have appeared as a result of the latest repeated consultative meetings, at which the sides were engaged in a search for the resolution of the problems cropping up. It was stressed at the Naval Headquarters of Ukraine that the effort became particularly constructive after Rear Admiral K.Kolotygin, a representative of the Chief Naval Staff of the Russian Federation, joined it.

In the course of the meeting, the sides outlined, in particular, joint actions for the training for the Ukrainian Navy of crews of submarines and patrol ships, as well as the commissioning of the ships under repairs, which, according to the list made up earlier, are to be included into the Ukrainian Navy.

An agreement has also been reached to hold such meetings regularly in the future.

Ukraine: West's Demands To Close Chernobyl Criticized

AU2301115496 Kiev MOLOD UKRAYINY in Ukrainian 19 Jan 96 p 1

[Report by Viktor Mazanyy: "The Rivne Nuclear Plant Director: 'Before Closing Down the Chernobyl AES, It Is Necessary To Consider Everything to the Minutest Detail'"]

[FBIS Translated Text] "I do not see any sense in the approach that is being imposed upon our state by forcing it to close down the Chernobyl Atomic Electric Power Plant [AES]," said Volodymyr Korovkin, general director of the "Rivne AES" production association. He stressed this: "Of course, the accident at the Chernobyl AES was a terrible disaster. One cannot assert that nuclear power engineering is absolutely safe. Atomic specialists are now seeing to it that such a disaster never recurs. However, if it is believed that the RBMK's [Soviet light water cooled, graphite moderated reactor] are bad, let us halt them everywhere. Why does nobody speak of the Smolensk AES [in Russia]? And how about the Ingalina AES in Lithuania? What if it explodes, God forbid? Its reactor is 1.5 times stronger than the one in Chernobyl. For some reason, nobody makes any noise about this — neither Swedes nor Finns who live in close vicinity. Or take the Kalinin or Kursk AES's. At the latter, the fifth RBMK power unit is about to be commissioned. All of these plants are not too far from Ukraine or western and central European countries. Had the Chernobyl RBMK been the only one such reactor in this area, it would, probably, make sense to close it down. Otherwise, I do not see any expediency in doing so. Much has already been done there to improve safety provisions and still more can be done. Give us resources to improve the situation and do not drive the poor state into a dead end. Yet, if you have decided to close it down, give us full compensation that would really make it possible for us to replace the lost capacities. So far, we have only heard promises."

Volodymyr Korovkin, who has headed the Rivne AES collective for 22 years, pointed out with satisfaction

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that a more realistic attitude to this problem is now taking shape in the Ukrainian Government. "Composure and state interests — this is the platform that we must maintain," he concluded.

Ukraine: Troops Clean Up Land From Hazardous Chemicals

AU2201165796 Kiev URYADOVYY KURYER in Ukrainian 16 Jan 96 p 7

[URYADOVYY KURYER report: "The 'Gasoline Lakes' Have Their Master"]

[FBIS Translated Text] **More than 80 years ago, chemical weapons were used for the first time. In five to eight minutes, more than 15,000 servicemen were affected by a chlorine cloud. This happened on 22 April 1915 at one of the fronts of World War I. That day marked the beginning of the formation of chemical troops in all world states.**

Ukraine's Armed Forces have received some such troops as a legacy. Based on them, in March 1994, radiation, chemical, and bacteriological defense troops were created within Ukraine's Armed Forces. The change of name fully reflects the transformations, primarily that there is not a single chemical weapon left in Ukraine. This was stated officially at a briefing by Major General V. Lytvak, chief of the Ukraine's Armed Forces Main Administration for Radiation, Chemical, and Bacteriological Defense Troops. Today, his subordinates do not just learn the art of protecting troops from weapons of mass destruction, but are also tasked with cleaning up their native land from those substances that are hazardous for our life. To their credit are about five metric tons of buried radioactive substances that had been brought in by businessmen from Germany, help in providing Kharkiv residents with drinking water during the accident at the purification facilities, and so on.

One of the principal tasks of these troops is to eliminate the aftermath of the ecological damage caused by the former USSR Armed Forces and its military-industrial complex on Ukrainian land. Specialists have estimated that these losses "cost" our state billions of U.S. dollars. Take at least the "gasoline lakes" that emerged around the military airfields near Uzyn, Bila Tserkva, and Lutsk. Much money is needed to rehabilitate these lands. Work on their recultivation has already started. An ecological protection service created in June 1995, which is part of the troops administration, is directly in charge of organizing these operations. Corresponding structures are already available in military districts, armies, and brigades. In 1996, it is planned to create a Central Ecological Laboratory.

Crimea's Meshkov Claims Poisoning by Ukrainian Leader

MM2301103396 Moscow IZVESTIYA in Russian 23 Jan 96 p 1

[Report by Nikolay Semena: "Yu. Meshkov Claims That He Was Poisoned in Crimea"]

[FBIS Translated Text] At a press conference in Simferopol former Crimean president Yuriy Meshkov, who had arrived from Moscow, claimed that he was poisoned in Crimea. As you know, after the Crimean presidency was abolished in March 1995 Meshkov spent over two months in his office and was hospitalized with diphtheria, after which he left for Moscow. He told journalists that "over 157 tests were carried out on my blood at the Moscow Blood Institute and over one-third of them revealed the presence of toxins. This was the result of poisoning." He claims that "this was the work of one of Ukraine's incumbent leaders, who is described as a specialist in 'clandestine operations.'" IZVESTIYA's correspondent Nikolay Semena reports from Simferopol.

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Belarus

Lukashenka Decides To Soft-Peg Belarusian Ruble

LD2201183896 Moscow INTERFAX in English 1708 GMT 22 Jan 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Following a Russian principle, President Alyaksandr Lukashenka has decided to partly fix the Belarussian ruble against hard currencies for a period until July, a spokesman told Interfax.

The declared purpose of soft-pegging the ruble at between 11,300 and 13,100 to the U.S. dollar is to stabilize the national currency, support exporters and rationalize import, said the spokesman, a presidential press service official.

He quoted Lukashenka as arguing that, with the Russian-Belarussian border being partly open and with half of Belarus's exports going to and 60 percent of its imports coming from Russia, shaping the market rate for the Belarussian ruble should largely be based on Russian regulation methods.

The official also said Lukashenka saw no reasons for the drastic devaluation of the Belarussian ruble and that the president believed the National Bank possessed sufficient reserves to keep the national currency stable during this year.

As for a drop in Belarussian money's value early this month, when the ruble plunged from 11,500 to 15,000 to the dollar, Lukashenka said the cause was not that the minimum wage went up from 60,000 to 100,000 rubles from the beginning of the year but that a national budget had not yet been adopted.

Parliament is still looking at a draft budget which late last week was presented to the legislature by Deputy Prime Minister Syarhey Linh.

In presenting the document Linh said this year's gross domestic product was estimated at 180 trillion rubles, which is 1 percent up on last year.

He called for basing this year's investment policy on the centralization of investment and drawing more funds from domestic sources.

He said that this year the amount of exported goods to be sold for freely convertible currency was due to be increased by 8.5 percent and the excess of imports over exports narrowed down from $400 million to $350 million.

To attract more capital for industry it was planned to create three joint stock companies on the basis of Belarussian refineries and Russian oil producing enterprises, the deputy prime minister said.

He cited a forecast that 1 percent more consumer goods was expected to be produced this year than in 1995 and said production of practically all foodstuffs was expected to stabilize.

About 4.3 trillion rubles would be allocated in 1996 to agriculture and industries related to it, a sum which reflected an anticipated increase in output and changes in prices, Linh continued. The government was currently drawing up a program to reform the agrarian sector, among whose goals are creation of a legal base to ensure the equal development of collective, state and private farms and adaptation of collective and state farms to market conditions.

The government's main social objectives were to increase the population's purchasing power and solve employment problems, Linh said.

Lukashenka has ordered the government to include extra items in the 1996 budget to stimulate export and rationalize import, some sources told Interfax.

Belarus: U.S. Inspection Team To Visit Rocket Unit

WS2301115996 Minsk Radio Minsk Network in Belarusian 0400 GMT 23 Jan 96

[FBIS Translated Text] In accordance with the agreement on short-range and long-range missiles, a U.S. military inspection team arrived in Minsk on the evening of 22 January. A BELAPAN reporter was informed by the Belarusian Defense Ministry Press Service that the U.S. disarmament specialists had notified the Belarusian side, represented by the National Agency for Control and Inspection, that they were going to visit the military garrison [word indistinct] located in the vicinity of the Mahilyow Oblast town of Asipovichi. The visit will last for one day.

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Tajikistan

Tajik Foreign Ministry Spokesman on Suspended Peace Talks

LD2201173396 Tehran IRNA in English 1601 GMT 22 Jan 96

[FBIS Transcribed Text] Dushanbe, Jan. 22, IRNA — Negotiations between the Tajik Government and the opposition scheduled to be held in Ashgabat Monday was suspended because of the absence of parties concerned.

A Tajik Foreign Ministry spokesman, Igore Sattarev, told IRNA that representatives of the Dushanbe government had voiced their readiness to attend the negotiating table since last week, but, the opposition has not opted for the fifth round of talks in Ashgabat yet.

The spokesman said if the opposition announces readiness to go ahead with the peace talks under supervision of the United Nations, Tajik Government representatives will attend the peace talks.

The United Nations had invited Tajik parties to attend the last round of peace talks in Ashgabat on January 22.

The opposition has not officially announced whether they would attend the peace talks or not.

The opposition had already set condition for attending the talks urging Russia and some other members of the Commonwealth of Independent States (CIS) which have deployed forces in Tajikistan to declare their stand towards Tajik crisis.

The opposition has accused the CIS states especially Russia of supporting the Dushanbe government and mass killing of the Tajik dissident.

The heads of CIS states in their recent summit meet in Moscow extended the mandate of their their military forces in Tajikistan for the next six months, but, called on the Tajik Government to find a solution to the crisis by that time.

Tajik President Accuses Islamic Terrorists of Killing Mufti

LD2201132796 Moscow Russian Public Television First Channel Network in Russian 1200 GMT 22 Jan 96

[From the "Novosti" newscast]

[FBIS Translated Excerpt] We reported earlier that Fathullo Sharifzoda, spiritual leader of Tajikistan's muslims, was savagely murdered. Viktor Nikulin, our correspondent in Tajikistan, sends this dispatch:

[Nikulin] He, three members of his family, and a student of religion in his home were shot at point-blank range by unknown people last night. [passage omitted]

The murder has a clear political motive, according to the law enforcement agencies. Investigators point to the modus operandi and are certain that the culprits are Islamic terrorists trained in special camps in neighboring states.

[Begin Rakhmanov recording] Show them which Islamic states are training these terrorists. Iran, Pakistan, and Afghanistan train them specially to terrorize the Tajik people. They feed them, they pay them. Show them, and let the international community know. [end recording] [passage omitted]

Tajik Leaders: 'Enemies of Peace' Killed Mufti

LD2201182396 Dushanbe Radio Tajikistan Network in Tajik 1200 GMT 22 Jan 96

[FBIS Translated Text] The leadership of the Republic of Tajikistan with deep sorrow reports that yesterday Haji Fathullo-khon Sharifzoda, the Mufti of the Muslims of the Republic of Tajikistan, and his nearest family were murdered by enemies of the country's peace and tranquillity.

This brutal crime was committed by those who do not want the people of Tajikistan to have a better life, those who are not tired of killing and bloodshed, and who hold nothing more sacred than office-holding, skirmishes, money and property, and to whom even human and Muslim honor and virtue are not sacred, and to whom the sweet souls of conscientious people are of no value.

They grew furious of the Tajik people's choice of the path of peace, and of this generous man's campaigning for peace and reconciliation. They are afraid of positive results at the inter-Tajik talks.

Haji Fathullo-khon Sharifzoda was born in 1936 in the Latta Khorak village of Gissar district, in the family of a well-known clergyman, Domullo Sharif. He received a secular and religious education, and became one of the most influential clergymen of the republic. His work in religious institutions began in a mosque in Gissar district, and in February 1993 he was elected Mufti of the republic's Muslims at a general conference of the country's Muslims. He managed to return the religious situation in the republic to normal, and to make a valuable contribution to establishing calm and peace. During the years of trouble in the republic, when some of the republic's mosques were turned into centers of conflict and discord between of people, Haji Fathullo-khon Sharifzoda played a significant part in uniting them.

There was nothing more sacred for this honorable man and complete Muslim than the preaching of God's Book [the Koran] and the discourses of the Great Prophet. On

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the path of seeking and uniting with the Just One [God], he held obedience to the pillars of Islam and the precepts of the Holy Word [the Koran] to be only the Sunnah, and a divine command. That is why he was against the formation of any kind of parties and splits in Islam.

He was held in particular esteem not only inside the country, but also in the international arena, particularly in the Islamic world, for his consolidation of peace and calm, and the consolidation of links between Tajikistan's Muslims and other countries.

The martyred Mufti played a productive role in advancing Islamic culture and education, and the prosperity of the holy religion of Islam.

The brutal assassination of this honorable man, a well-known expert on the Shar'iah in the month of Ramadan proved that the armed men are malicious and diabolical.

The leadership of the republic is in deep mourning over the tragic death of Haji Fathullo-Khon Sharifzoda, the Mufti of the republic's Muslims, and of his nearest family, and wishes him complete repose.

[Signed] President Emomali Rakhmanov, Parliament Chairman Safarali Rajabov, Prime Minister Jamshed Karimov, Mahmadsaid Ubaydulloyev, first deputy prime minister, Deputy Parliament Chairman Qozidavlat Qoimdodov, Juraboyev [untraced], Deputy Prime Ministers Basgul Dodkhudoyeva, Jamoliddin Mansurov, Oqil Oqilov, Kholisjon Temurjonov, Health Minister Alamkhon Ahmadov, Karimov [untraced].

Tajikistan: Opposition Denies Involvement in Mufti's Murder

LD2201200596 Moscow INTERFAX in English 1852 GMT 22 Jan 96

[FBIS Transcribed Text] PESHAWAR, Jan 22 (Interfax) — The Tajik opposition has nothing to do with the murder of Mufti (Muslim leader) of Tajikistan Fathullo Sharifzoda, according to a statement sent to Interfax by opposition leader Akbar Turadzhonzoda from Peshawar tonight.

Mufti Sharifzoda, aged 53, his wife and son and another two members of his family were shot dead late on Sunday evening in the first day of the Muslim Ramadan fasting. The five people were murdered at their house in Tajikistan's Gissar region 20 kilometers to the west of Dushanbe.

Turadzhonzoda dismissed as "lies" reports alleging the opposition's participation in the murder of the mufti and members of his family. "We had met with Sharifzoda several times beyond Tajikistan's borders and we had good relations," the opposition leader said. Turadzhonzoda stressed that the mufti was not an active supporter of present Tajik President Emomali Rakhmanov.

"Not a single true Muslim, especially a supporter of ours, would raise his hand against a spiritual leader," Turadzhonzoda said. "The murderer was directed by those who seek to finally jeopardize inter-Tajik settlement and unleash civil war in Tajikistan," he said.

Tajik Opposition: Mufti Murdered in Feud Over Office

LD2301115996 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 23 January 96

[FBIS Translated Text] The enemies of the national reconciliation of all Tajiks committed a disgraceful act by killing Fathullo Sharifzoda, the mufti of the Muslims of Tajikistan, on the eve of the next round of peace talks [in Ashgabat]. He was shot dead on Sunday, the first day of the holy month of Ramadan, by persons unknown, together with his wife, his 29-year-old son, his daughter-in-law and his 18-year-old religious student.

This tragic incident occurred at 2300 on 21 January in the mufti's house in Latta Khorak village, Gissar district. The 54- year-old Fathullo Sharifzoda was elected leader of the official institution of the Muslims of Tajikistan in December 1992, after the present government came to power.

Political commentators attribute the murder of Fathullo Sharifzoda to certain circles that want to strike a blow against the Tajik peace process. Moreover, there is a suspicion that this murder is a dispute over office. Experts point to Haydar Sharifzoda, an instigator in the civil war in Tajikistan, who helped so much in bringing the government of [Tajik President Emomali] Rakhmanov to power, but who was left out in the distribution of posts. One can consider this a factor in the murder of Fathullo Sharifzoda, which was planned with malicious intent in this holy period for Muslims to arouse the religious passion of his supporters.

We recall that a few days ago Radio Voice of Free Tajikistan warned that such a tragedy might happen on the eve of the peace talks. Radio Voice of Free Tajikistan foresaw that the opponents of peace in Tajikistan in Dushanbe and Moscow would undoubtedly carry out a provocation, as they have done before, to destroy the process of national reconciliation. As we see, this has unfortunately happened.

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Armenia

Armenian, Azeri Presidents Meet in Moscow

NC2201175196 Yerevan NOYAN TAPAN in English 0438 GMT 22 Jan 96

[FBIS Transcribed Text] Yerevan, Jan. 22 (NOYAN TAPAN)—Issues related to peaceful settlement of the Karabakh conflict were discussed at the January 18 meeting between Armenian and Azeri Presidents. The meeting was brokered by Russia. Participants pointed out to Russia's role on this issue. The sides also stressed the necessity of resolving such key issues as the liberation of the Lachin corridor, status of Mountainous Karabakh and return of refugees, according to the Baku state-run radio.

Armenian Press Secretary on Yeltsin Nagorno-Karabakh Statement

NC2201174596 Yerevan Armenia's Radio First Program Network in Armenian 1500 GMT 22 Jan 96

[FBIS Translated Text] Armenian Presidential Press Secretary Levon Zurabyan held a news conference today. Our correspondent Armen Vardanyan was there and filed the following report:

[Begin recording] [Vardanyan] Russian President Boris Yeltsin's statement at a news conference after the CIS summit on the status of Nagorno-Karabakh has caused a certain amount of anxiety among the public. Does that statement imply a change in Russia's position on the resolution of the Nagorno-Karabakh problem? Armenian presidential press secretary Levon Zurabyan commented on this question at the news briefing.

[Zurabyan] No. Russia's position is clearly defined in the joint appeal adopted at the CIS summit. That appeal is balanced in nature and takes into consideration the positions of all conflicting sides. Generally speaking, an agreement could be implemented only if all the conflicting sides come to an agreement and if the relevant tribunals established by the international community support that agreement.

Our position on this issue is unchanged. The problem will be solved according to the principle of self-determination for the people of Nagorno-Karabakh. That means that the Nagorno-Karabakh people will determine their own destiny. [end recording]

At the end of the news conference Mr. Zurabyan replied to reporters' questions.

Armenian Government To Support Truce in Karabakh

LD2201184096 Moscow INTERFAX in English 1556 GMT 22 Jan 96

[FBIS Transcribed Text] Yerevan, Jan 22 (Interfax) — Armenian presidential press secretary Levon Zurabyan believes that the Nagorno Karabakh problem must be resolved on the basis of the right to self-determination.

Zurabyan said at a news conference in the Armenian capital Yerevan Monday that Armenia will do its best to maintain the truce in Karabakh.

Yevgeniy Primakov, the new Russian foreign minister, will shortly start shuttle visits to Baku, Yerevan and Stepanakert in order to gain deeper insights into the Karabakh problem, Zurabian said.

Zurabyan insisted that the status of Nagorno Karabakh should be decided at the final stage of the talks.

Karabakh's Ghukasyan Calls For Concessions From Azerbaijan

NC2201190596 Yerevan Armenia's Radio First Program Network in Armenian 1500 GMT 22 Jan 96

[FBIS Translated Text] The ARMENPRES correspondent in Stepanakert reports that Arkadi Ghukasyan, foreign minister of the Nagorno-Karabakh Republic [NKR], said the following in a statement to reporters at a news conference in Stepanakert: If we sum up the results of the last round of talks, it could be said that we have virtually not moved forward at all. It appears that new proddings are needed, such as high-level meetings or new ideas. In any case, we believe that one of the sides has to give in and make a serious concession. Everybody expects Nagorno-Karabakh to do this. But, this is not what we are thinking of doing. We expect concessions from Azerbaijan. Otherwise, we are condemned to marking time. The NKR delegation's attempt to broach the status of the republic was again obstructed at the last round of talks in Moscow on the Nagorno-Karabakh problem. Only the NKR's security and problems of regional security were discussed. And as before, no consensus was reached, for Azerbaijan tried to avoid discussing NKR security as a separate issue, regarding it as part of the security of the conflict zone. The Azerbaijani delegation again took an unconstructive approach.

Ghukasyan stressed that the Azerbaijanis were evading all those questions which, if they remain unanswered, will block any headway at the talks. The question of Nagorno-Karabakh's borders was one of them. Azerbaijan is worried that these borders might become the

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demarcation line, which would imply recognition of the NKR.

Concessions by Azerbaijan are unavoidable, stressed the NKR foreign minister. NKR's political weight has increased considerably, something which cannot but concern the enemy. Whether they like it or not, they will have to recognize Nagorno-Karabakh as an equal negotiating partner, and it realizes that this is unavoidable.

Referring to the meeting between the Russian Foreign Minister Yevgeniy Primakov and the Minsk Group members, Arkadi Ghukasyan said that the appointment [of Primakov as Russian foreign minister] will somewhat increase Russia's role, particularly regarding the resolution of the Karabakh conflict.

Azerbaijan

Moscow-Baku Agreement Signed on Transit of Azerbaijani Oil

NC2001163796 Yerevan SNARK in English 1411 GMT 19 Jan 96

[FBIS Transcribed Text] Moscow/18.01.96/TURAN—An agreement on transit of Azeri oil from the offshore oil fields in the Azeri sector of the Caspian was signed by the heads of the governments of Azerbaijan and Russia. The agreement notes "Russia provides free transit of Azeri oil through the territory of Russia, guarantees including of the Azeri oil to the schedules of transportation and export of oil beginning from December 1996. It should be taken into account that volume of transit of the Azeri oil will increase annually and will total in year 2002 no less than 5 million tons a year."

The agreement notes that "Russia should abstain from participation in any international agreement which can bring about restrictions or preventions for transit of Azeri oil."

Azerbaijan guarantees delivery of corresponding volume of Azeri oil beginning from December 1996 and abstains from participation in any international agreement which can cause preventions for implementation of the present agreement. "Tariff for transportation of oil from frontiers of Azerbaijan to tanker in the Novorossiysk port is established US $15.67 per one metric ton (2.12 barrels.)"

In case if Azerbaijan does not provide delivery of volume of oil for transit stipulated in the contract it will reimburse losses suffered by Russia.

The agreement will be effective from the date it is signed and will be valid within seven years, after that it will be automatically extended.

A statement of the Russian government adopted while signing the agreement notes the present agreement can not be interpreted as "changing the positions of the parties concerning legal status of the Caspian sea."

* According to reference of SOCAR [State C 'ompany of Azerbaijan], readiness of the oil pipeline Baku-Novorossiysk totals 13 months, the term of filling with oil - 4 months. Total length of the pipeline - 1,346 kilometres.

Georgia

Shevardnadze Interview on Abkhazia, Oil Routes

LD2201134196 Tbilisi Radio Tbilisi Network in Georgian 0628 GMT 22 Jan 96

[Regular Monday studio interview with Georgian President Eduard Shevardnadze by correspondent Nato Oniani—live]

[FBIS Translated Excerpt] [Oniani] Mr. President, last week was extremely important as far as Abkhazia is concerned. Are you nevertheless going to start by discussing economic problems, as you usually do in our interviews? Despite some pessimistic forecasts, the Moscow summit on 19 January was held in a special atmosphere. It can be said that for the first time in CIS history, an important and effective document was adopted against Abkhaz separatism and separatism in general. The economic sanctions which the Georgian side has demanded for so long will be imposed. The mandate of the peacekeeping forces will change.

[Shevardnadze] [passage omitted] The Moscow meeting showed the CIS from a very important new perspective to the whole world. In particular, while attaching prior significance to issues of the economic, technical, and scientific integration of its member states, the CIS also acts as guarantor of their territorial integrity, unity, and independence. This had not been widely discussed before the Moscow meeting revealed this aspect of the CIS. Of course, the United Nations, the European Union, and other international organizations are also involved in this.

This trend in the work of the CIS became evident during the examination of the Abkhaz issue. The CIS will earn a reputation as an international regional organization if it continues to balance correctly the interests of individual member states, as regards their freedom and independence, against general trends in the development of the CIS such as integration processes. Only in conditions of such balance can the international organization develop and its reputation continue to grow.

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[Oniani] In one of your interviews, you said that at your meeting with Yeltsin, he paid special attention to the fact that the Georgian Parliament has ratified the comprehensive treaty with Russia. He was satisfied with that. Do you think that the Russian Duma, which is a motley body, will ratify the document approved at the CIS summit on 19 January.

[Shevardnadze] I will answer briefly. The ratification by the Georgian Parliament of the comprehensive treaty with Russia was a calculated step. The new Georgian Parliament was the first to make a gesture of goodwill in building new relations with Russia. The Russian Duma knows full well that a whole package of treaties is subject to ratification. This includes a treaty concerning Russian bases in Georgia. Of course, we expect that this first extremely important step by the Georgian MP's will not escape the notice of the Russian parliament. I think that some reciprocal steps should be taken.

[Oniani] The summit was marked by a special attitude toward Georgia and its leader. We cannot recall such a good attitude at any other CIS summit we have attended. During his news conference, President Yeltsin mentioned the name of the Georgian president several times. He also mentioned the Georgian problem, the Abkhaz problem, and so on. It was interesting to see how CIS leaders and especially President Yeltsin have changed their tone when talking about the threat of aggressive separatism — an issue which Georgian politicians have raised at almost every meeting at every level since the start of the Abkhaz conflict.

[Shevardnadze] I must reveal to you that after the meeting in Moscow, I spoke to every president individually. Of course, I expressed my feelings and my attitude. It was indeed a unique example of unanimous support, except for one delegation. I would like to take this opportunity to thank all the presidents again for their active support at the Moscow meeting. Of course, I would like to address special gratitude to Russian President Boris Yeltsin. You will remember his categorical statements at the news conference, and not only there.

[Oniani] [passage omitted: brief interruption]

[Shevardnadze] These statements were indeed very important, because most of the media had been predicting that Georgia's proposals would receive little support and be defeated. That is why Yeltsin's categorical statement saying that we support Shevardnadze's proposals is very important, should be really appreciated, and, most importantly, is promising.

Now, I would like to discuss the following question: Is it possible that the Duma will support the Abkhaz separatists? It is no coincidence that I am discussing this now, because Abkhaz separatists are currently in Moscow visiting the Duma in an attempt to persuade it to issue a statement or some other document. That is why I am asking this question: Is it possible that the Duma will support the Abkhaz separatists, who are responsible for the ethnic cleansing of Georgians, Russians, Armenians, and Greeks? This has been recognized by the European Union and NATO. For example, the last Security Council resolution mentions ethnic killings committed by the separatists. By the way, the Security Council uses such language very seldom.

Let us assume that they support Abkhaz separatism. I would then ask this question: Why should the separatist movement in Russia be ignored? Why shouldn't they also support Chechen separatism or other kinds of separatism? This would be logical. That is why I think that support for aggressive Abkhaz separatism, which has been universally condemned, will contradict Russia's supreme national interests and will mean a disregard for its own national interests.

[Oniani] [passage omitted] Despite the decisions of the CIS summit, subsequent statements by you, the minister of state, the foreign minister, and other officials contained no revengeful or gloating notes.

[Shevardnadze] [passage omitted] How is Georgia going to proceed following the signing of the documents we have mentioned — I mean the sanctions and some other documents? I would like everyone, including the Gudauta [town regarded by Tbilisi as center of Abkhaz separatism] leadership and all citizens who now live on the territory of Abkhazia, to pay attention to my proposals:

First, we propose that talks be resumed immediately. These can be tripartite, quadripartite, or bilateral talks — we will agree to any format. Talks on issues concerning a political settlement must be resumed. We should, as soon as possible, adopt a document which will lay the foundation for it. Our main principle still stands. I would like to repeat it yet again, so that the whole world can hear: Abkhazia, as a subject of a federal Georgia which is a single state, will enjoy the rights given to such subjects in accordance with the highest international standards. Abkhazia will have its own constitution, state emblem, flag, anthem, parliament, supreme court, and many other attributes of statehood.

Second, when we — I mean both Georgia and Russia, since we have a common position on these issues — speak about isolating Abkhaz separatism, we do not mean that foodstuffs and other essential goods should not be supplied to the population and that we will starve local citizens to death. Food supplies will be allowed as will many other things. But that will happen — this was

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the new aspect [agreed upon by CIS leaders] — with the consent of the Georgian Government and with the assistance of Georgia.

[Oniani] This is to prevent arms smuggling under the guise of humanitarian aid, as has happened before.

[Shevardnadze] Of course, there is a ban on arms supplies either from Georgia or anywhere else. However, as regards basic foodstuffs and commodities, they will require clearance from the Georgian Government and should be delivered with the assistance of Georgia.

Third, I have said before and I confirm now that residents of Abkhazia are citizens of Georgia. We are ready to share with them everything we are getting and everything we have, even the last piece of bread, unless, of course, the present regime in Abkhazia prevents us from doing so.

Fourth, the return of refugees and determining Abkhazia's status, which should happen quickly, will allow us to start the restoration of the railway and roads as soon as possible. This will mean billions in revenue. We will attract billions in foreign investment to restore the region and make it prosperous. I know that many investors from various parts of the world, including Russia, are ready for this. We can then start thinking about opening a tourist season as early as this year.

Is there any alternative to this? Indeed, there is. But it will mean war, more bloodshed, and casualties. The United Nations, the European Union, the CIS, the Russian president, and, of course, Georgia have chosen the former way. I do not think that anyone will reject the peaceful way and support the war scenario.

[Oniani] Apart from aggressive separatism, there is another very serious threat to the modern world, which is international terrorism. [passage omitted]

You linked the hijacking of the Avrasya ferry to the events in Budennovsk, Kizlyar, and, primarily, Abkhazia, saying that Abkhaz separatism, the mass killings, and ethnic cleansing in Abkhazia went virtually unpunished.

[Shevardnadze] Yes, I have said in the past and at the Moscow meeting that the Chechen events, including all that happened in Budennovsk, Kizlyar, Pervomayskoye, and the hijacking of the ship, take root from the tragedy in Abkhazia. Without it, these events would not have happened.

As regards the hijacking of the Avrasya ship, which also had Georgian citizens on board, the incident caused serious concern among our public. Thank God, all ended well. I would like to thank [Turkish] President Demirel and Prime Minister Tansu Ciller once again for the brilliantly executed operation to save the lives of the ferry passengers.

As for the reports that two of the terrorists are from Ajaria [an autonomous republic within Georgia], they are totally false. Unfortunately, one of the terrorists is from Abkhazia, Raul Kitsba. This is regrettable.

[Oniani] Finally, a question about oil. [passage omitted]

Last week, Natig Aliyev, president of the Azeri State Oil Company, told the press that Chevron has accepted Baku's official proposal to use the Baku-Supsa [an oil terminal in Georgia] pipeline to transport Kazakh oil. This means that the Baku-Supsa pipeline will carry not only early Azeri oil, but also Kazakh oil from the Tengiz deposit. I am also asking you this question because it was discussed at your meeting with President Yeltsin.

[Shevardnadze] As regards Chevron and our conversation with the Chevron president about the transit of just some of the Kazakh oil through Georgia, our listeners know about it. I will add that the Chevron president said that they were exporting 4-5 million tonnes of oil from Kazakhstan through Russia and did not intend to reject that route. On the contrary, they are building new pipes on the Tikhoretskiy-Novorossiysk section to increase the amount of oil going through Russia. There is a lot of oil there.

But at the same time, he admitted that a lot could be done on the Georgian route. This especially concerns the use of ships, barges, and tankers, which would cut the distance to Europe, especially to the Balkans, Eastern European countries, Ukraine, and so on.

One of the main results of the Moscow summit is that at the meeting with President Yeltsin, we said that, as regards the pipelines and the northern and western routes, Russia and Georgia are not competing with each other. The route which is ready first will be the first to be used for oil transit. But this will not mean rejection of the other route. Therefore, both routes can be used.

I think this agreement with the Russian president is very important for the future and opens up great opportunities. Skeptics and speculators have been proven wrong. This was not the first time they are wrong, and, I hope, not the last. [passage omitted]

Shevardnadze Promises No Food Sanctions on Sukhumi

LD2201184296 Moscow INTERFAX in English 1708 GMT 22 Jan 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] President Eduard Shevardnadze speaking on national radio on Monday said the

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ratification by the Georgian parliament of the framework treaty with Russia was a planned step aimed at building a new relationship with Moscow.

He expressed the hope that the Russian State Duma would reciprocate the Georgian move as it faces a debate on the ratification of a package of agreements including a treaty on the deployment of Russian military bases in Georgia.

He does not rule out that the Duma may support the Abkhaz separatists "having genocide, ethnic cleansings and killings on their conscience" even in the face of a recent resolution by the CIS heads of state. He said if this happened, the Duma might as well take Chechen separatism under its protection. Shevardnadze said any support for Abkhaz separatism condemned by the international community would run counter to Russia's national interests. He reiterated that all of the latest attacks by Chechen terrorists were stemming from Abkhazia whose separatism remained unpunished.

On the recent CIS summit in Moscow, Shevardnadze said that an immediate resumption of regional peace talks was the first step of a Georgian plan of action following approval by the CIS heads of state of measures aimed at achieving a political settlement to the conflict. He said Georgia agreed to bilateral talks and negotiations involving any mediators calling for a regional peace deal to be struck as soon as possible.

He reiterated that as part of Georgia, Abkhazia would be granted all related authority including its own constitution, emblem, flag, anthem, parliament, high court and other state attributes.

The Georgian leader denied that economic sanctions against Sukhumi would amount to a denial of food supply to the local population. He said food and other imports to Abkhazia would be allowed only on the go-ahead and assistance from the Georgian authorities.

He restated that all Abkhazia residents were Georgian citizens and "we are ready to share with them whatever we have, even the last morsel of bread, if not obstructed by the present regime in Abkhazia."

Shevardnadze hopes the determination of Abkhazia's status and the start of massive repatriation of refugees would give an impetus to the region's economic recovery, postwar reconstruction of the local railway and road links, luring foreign investment and reopening a holiday making season there already this year.

He said although there was a military option, Georgia and the world community opted for a peaceful way of resolving the conflict.

On the pumping of Azeri and Kazakh oil via Georgia, Shevardnadze said he and Russian President Boris Yeltsin at a recent meeting in Moscow had agreed that the two countries were not rivals in the pipeline project. He said the deals struck with America's Chevron and international oil consortium provide for the use of Georgian and Russian pipelines. "Initially, preference will be given to the route which will ready first for commissioning," he said. IF NOTE: The CIS resolution on measures for resolving the Abkhazia conflict says that member states will not carry out any trade, economic, financial or other operations with the Abkhaz authorities. Under a draft paper brought in by Shevardnadze, the CIS states are committed to recognize Abkhazia as part of Georgia and not to have any formal contacts with Sukhumi or any Abkhaz structures or members of the regional armed units.

Any arms sales or arms delivery to the region is banned and the CIS presidents pledged to take measures to pull out CIS citizens employed by the Abkhaz army.

The CIS leaders' statement spells out support for efforts by the United Nations and Russia aimed at achieving a comprehensive peace settlement in the region.

Speaking at a news conference in Tbilisi after the summit, Shevardnadze said CIS foreign and defense ministers were given a month in which to draw up a new mandate for the peacekeeping force in Abkhazia to be approved by the CIS heads of state later.

He said the summiteers had so far adopted a resolution to extend the force's current mandate for another three months which would be automatically extended until July if the new mandate was granted.

Georgia: Official Claims 'Massive' Human Rights Abuses

AU2201151396 Tbilisi DRO in Georgian (No. 1) 8 Jan 96 p 5

[Interview with Giorgi Kervalishvili, president of the All-Georgian Association for the Protection of Human Rights, by Marika Megrelishvili and Rezo Getiashvili in Tbilisi; date not given: "Those Without Rights and Their Penniless Defender"]

[FBIS Translated Excerpt] [DRO] Batono [Georgian polite form of address] Giorgi, what can you say about the current situation in Georgia concerning the protection of human rights?

[Kervalishvili] Let us begin by saying that ours is the All-Georgian Association for the Protection of Human Rights, which was formed in February 1991. In May of that year, we were registered with the Ministry of Justice. Following an analysis and objective review of our

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work, we were made an associate member of the International Society for the Protection of Human Rights in 1993. Our organization is an international nongovernmental organization that is fighting for the release of political prisoners and prisoners of conscience. We also respond to acts of assault and torture carried out against citizens and prisoners held in detention cells and prison by the police and other state law enforcement bodies. Torture takes place to extract false testimony. As for the state of human rights in Georgia, we can say: It has been proved that massive, systematic, and cruel violations of human rights are a permanent practice in Georgia. To all intents and purposes, a totalitarian regime exists in the country. One cannot speak of the protection of human rights when not even the right to life itself is guaranteed. To all intents and purposes, there is a police regime in Georgia. Citizens do not have the right to gather in one place or another and hold a peaceful demonstration. The most recent fact occurred on 28 October. On that day, the Roundtable [anti-Shevardnadze political organization] arranged to hold a peaceful rally at Kolkhuri Koshka [former residence of ex-President Gamsakhurdia in Tbilisi]. Before it began, special purpose police detachments arrested approximately 70 people and held them in custody for 10 days. A rally held on 3 November was just as brutally dispersed by the police, who arrested the leaders and held them for seven days. In this country, people do not have the chance freely to express their opinions or protest. Any opinion or political view that does not suit the authorities is suppressed. It turns out that the police have the right to arrest a citizen without a warrant and to discredit him and dishonor his dignity.

[DRO] Are there any other human rights organizations in Georgia? What links do you have with them?

[Kervalishvili] We have close links with everyone who defends human rights, for example, the Helsinki Union. As regards the State Committee for the Protection of Human Rights and Interethnic Relations (headed by Sandro Kavsadze), we do not cooperate with it because it does not protect human rights but state interests. Its name indicates this. [passage omitted]

[DRO] What can you say about the Georgian press and television?

[Kervalishvili] The free Georgian press publishes [our materials], but I cannot say the same about the press that is monopolized by the state. It is pointless to speak about television. We have repeatedly asked for airtime but in vain.

[DRO] You pay particular attention to political prisoners. As they say, there were many facts of human rights violations during the elections. Were there violations in respect of those people held in detention cells and standing for election?

[Kervalishvili] We boycotted the elections and I will tell you briefly and specifically that our association recorded them as being antidemocratic, unjust, and rigged. We established such facts on the basis of which it is possible to say that the [results of] the elections were falsified at the expense of pro-national forces. Proceeding from this, it is natural that the rights of those candidates being held in detention cells were violated.

[DRO] What can you say in general about political prisoners?

[Kervalishvili] There are many political prisoners in Georgia. The current authorities deny this and say that they are ordinary criminals. This is the usual sick Soviet communist phenomenon. However, this is no surprise given that the same Communists are in power. The situation of the political prisoners is unbearable and serious. In the first place, let us begin by saying that they are being subjected to terrible methods of torture such as having their fingernails pulled out and boiling water poured over their bodies and being given electric shocks. You will not find in any state in the world what is going on here. We have raised our voices against this.

[DRO] From where have you obtained this information?

[Kervalishvili] The political prisoners themselves have written to us. The majority of the political prisoners are supporters of the persecuted authorities. They include members of the former Supreme Council. Temur Zhorzholiani is a typical political prisoner. There are also prisoners of conscience in Georgia, for example, Zaur Kobalia. So, we call on the authorities to release them quickly, if we are building a democratic state.

[DRO] The problem of conscripts has become fairly acute. To all intents and purposes, a large number are being forcibly taken into the army. What can you say about this?

[Kervalishvili] Human rights are being violated everywhere. It is natural that the situation is the same in this sphere as well. Conscripts are being taken into the army from their homes at night, the subway, and the street. This is wholly impermissible according to the Geneva international convention. It is possible for the court to punish someone for avoiding military service or desertion, but it should not be done in this form. There are many such young people. It is not because they do not love Georgia or have no military ability; they believe that basic living conditions are lacking here. It is interesting what kind of army we are talking about. Is it, in fact, the army of an independent country? [passage omitted]

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[DRO] Does your work produce any results? Is there any response to your appeals and statements from the appropriate people?

[Kervalishvili] Absolutely not. They ignore our demands. I repeat once more that a despotic regime exists in Georgia. This has been recognized by Russia's law enforcement bodies themselves. Sergey Kovalev [member of Russian Duma, chairman of human rights commission reporting to President Yeltsin] has pointed out that Georgia is a country where human rights are being violated on a massive scale. There has been only one case when our demand has been partially taken into account. There is a prisoner called Khvicha Jokhadze, who, according to a medical report, should not be in prison. He is suffering from tuberculosis and is bedridden. We only succeeded in getting his sentence halved, but this is nothing. They do not allow us into the prisons. We have repeatedly appealed to the Procurator's Office and the Ministry of Internal Affairs. Proceeding from this, we believe that everything there is as the prisoners describe it in their letters to us.

[DRO] Do you receive any financial support?

[Kervalishvili] Our organization has no money at all. We are motivated by sheer enthusiasm and it is thanks to God that we survive. Moreover, the state is creating such conditions for us that.... [passage omitted]

[DRO] It is the socially unprotected stratum that is suffering most today. Their rights are being violated most of all and even in court and the law enforcement bodies. What can you say about this?

[Kervalishvili] A mafia exists in the country; corruption is widespread and there are clans who are not interested in ordinary human rights. The international declaration on the protection of human rights states directly that a person should receive as much remuneration as is necessary to live in an honest and dignified manner and to support his family. We are also demanding an improvement in basic living conditions. God grant that these and other painful problems that are of such concern to society be solved in accordance with the experience of civilized states. At the moment, all that we can do is call on people to endure this.

Postscript. The interview was ready when we learned that G. Kervalishvili and D. Berdzenishvili, the organization's political secretary, had requested political asylum in Germany.

Gali: Abkhazia To Use Force Against Georgian 'Terrorists'

LD2201183196 Tbilisi IBERIA in Georgian 1550 GMT 22 Jan 96

[FBIS Translated Text] Sukhumi, 22 Jan — The so-called Abkhaz Ministry of Security has disseminated a statement saying that the situation in Gali District has deteriorated lately, this resulting from terrorist acts committed by Georgian terrorists against representatives of the Abkhaz authorities and the Abkhaz police. The Ministry of Security does not rule out wide range operations against the Georgian terrorists. According to observers, this is a threat directed at ethnic Georgian refugees who have returned to Gali District. The Abkhaz side thus wants to retaliate against Georgia for the latest CIS summit resolutions.

Georgia: Work on Development of Transport Infrastructure

MM2201163996 Moscow ROSSIYSKAYA GAZETA in Russian 20 Jan 96 p 10

[Article by Albert Kochetkov: "All Roads Lead Through Georgia" - - from the "Economic Union" Departmental Supplement]

[FBIS Translated Text] Tbilisi — Georgia's advantageous geopolitical location should help this Transcaucasian state's economic growth in future. The idea of reviving the Eurasian corridor was first heard in E. Shevardnadze's speeches back in 1992, it was left up in the air, but is now coming to life in the implementation of previously elaborated projects and agreements involving countries of the Eurasian Union and CIS.

They have no objections to Turkey's being if not the ideal, then the best possible point for the transit of power sources, transport resources, and various freight and for the location of telecommunications systems centers which ensure the shortest, quickest, and therefore the cheapest movement of goods and services between the Near East, Europe, and Asia.

The projects are obtaining considerable injections from foreign creditors and investors. The European Bank for Reconstruction and Development, in particular, has allocated $10 million alone for the construction of a new airport building in Tbilisi, the latest equipment, and the provision of international standards of passenger service and aircraft maintenance. Earlier the airport acquired a modern runway designed to take any type of aircraft, including the Boeing-747. The U.S. firm Westinghouse is installing the Caucasian Air Traffic Control Center here. In addition, in the city of Senaki in the western part of Georgia, there is a former Russian Army airbase

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which, after upgrading, could be a freight and passenger terminal with an outlet to the nearby Black Sea ports of Batumi and Poti. Incidentally, intensive reconstruction is going on in the latter and, once this is completed, it will be able to handle not only dry-freight but also bulk-freight ships, as well as "roll on-roll off" ferries for the transportation of containerized freight and others, including sea ferries.

Next in line is the implementation of a project to construct an international expressway from these ports along the Samtredia-Kutaisi-Khashuri-Akhalkalaki route with an outlet to Armenia. Even now a considerable proportion of freight transit from Turkey and Mediterranean and Balkan countries to the Transcaucasus is carried out by road transport through Georgia. With the construction of international-class main roads in the republic there will be a possibility of combined transit using sea, land, and air options by means of transporting goods in universal heavy freight containers.

Literally a few days ago a Georgian-Turkish agreement was signed on starting construction of a railroad between Kars (Turkey) and Akhalkalaki (Georgia) next year. It will cost $250 million, one-fifth of which is being paid by Georgia.

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Estonia

Estonian Parliament Speaker Addresses Council of Europe

WS2301120096 Tallinn Ministry of Foreign Affairs Press Release in English 0905 GMT 23 Jan 96

[Statement by Mr. Toomas Savi, speaker of the Estonian parliament, at the Council of Europe Parliamentary Assembly in Strasbourg on 22 January]

[FBIS Transcribed Text] Dear Mr. President, Secretary General, Members of the Assembly, Ladies and Gentlemen, it is a pleasure to address the Parliamentary Assembly in my capacity as the Speaker of the Estonian parliament. Estonia continues to regard the Council as one of the cornerstones of European democracy. The principles embodied in and promoted by the Council — the rule of law, human rights, democratic elections — now unify the whole of Europe, from the Baltic to the Black Sea.

Since our acceptance into the Council three years ago, Estonia has made great strides in erasing the legacy of Soviet occupation not only by membership in international organisations, or by signing conventions, but through our policies. Estonia's residency and citizenship laws were drafted under the guidance of the Council and are in full compliance with international norms. Judicial reform based on the rule of law is complete. Human and minority rights are guaranteed through the constitution. Perhaps the best testament of our commitment to the principles of the Council will be Estonia's chairmanship of the Committee of Ministers, which will begin in May. We look to this task with great anticipation, dedication and the knowledge that our Chairmanship will reflect Estonia's ability to lead in international fora.

The Council has greatly assisted Estonia's efforts to secure its role in Europe. The work, guidance and vision provided by the Council has resulted in Estonia taking its rightful place alongside other European states steeped in the traditions of democracy. I can proudly say that Estonia is the normal European state it has always been.

While praising Estonia's progress, I must be candid and state that one disputed issue remains before Estonia. The issue is the ratification of the Convention for the Protection of Human Rights and Fundamental Freedoms, which includes a ban on capital punishment. Estonia is a democracy, and a democracy demands that issues are debated before being decided. I can assure you that the debate over the death penalty has begun. A draft law on a new criminal code which ends capital punishment will be brought before parliament and we will seek to ratify the Convention as soon as possible.

A serious issue that awaits debate before this historic democratic institution is the acceptance of Russia's membership application. While condemning the terrorist acts of Chechen separatists, Russia's method of resolving the crisis by carpet shelling, and justifying this act through blatant misinformation and propaganda, lacks the commitment to the rule of law, human rights, and the peaceful resolution of conflict usually sought after in applicant states. We must bear in mind that the roots of the hostage crisis can be traced to Russia's attack on Chechnya in December, 1994. This attack was also characterised by the extreme use of force and a blatant disregard for human life. The civilised community of states represented within the Council reacted to this accordingly, freezing Russia's application for seven months. The Council must act to end the loss of innocent lives and promote a negotiated solution to the conflict.

Estonia also recognises the importance of fostering a fading Russian democracy. A democratic Russia is in Estonia's, and Europe's, interest. If democracy in Russia survives the current crisis, which we hope it will, Estonia looks forward to receiving Russian membership during our term of chairmanship. Instead of Estonia integrating into the CIS, as many Russian politicians call for, Estonia would have the opportunity to oversee Russian integration into the COA — the Council of Europe.

It is also a pleasure to stand before the Council today to honour President Miguel Martinez, who, during his years as President of the Parliamentary Assembly, worked tirelessly to re-unify Europe based on the rule of law, human rights and democratic elections.

Coming into office in 1992, just a year after the collapse of the Soviet Union, Mr. Martinez was well qualified to lead the Council of Europe in guiding states back to Europe. As a former dissident, Mr. Martinez understood the legacy of totalitarianism and the desire of the people to break from this past. He understood the challenges the states of Central Europe faced in seeking Council membership and worked to overcome them.

Under Mr. Martinez's presidency 17 countries were taken into the Council of Europe. One of those countries was Estonia.

The guidance and support Estonia received from Mr. Martinez and the Parliamentary Assembly was invaluable. To recognise the contribution Mr. Martinez has made in fostering freedom in Estonia, Mr. Martinez was decorated this morning with Estonia's Order of the White Star First-class. But I am sure that for Mr. Martinez, an even greater honour will be to visit Estonia and witness the democratic seeds he planted in full bloom.

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Kallas on Russian Membership in Council of Europe

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[FBIS Translated Text] Estonian Foreign Minister Siim Kallas answered questions from parliamentarians today. Speaking about the the Estonian government's opposition to Russia possibly gaining a full membership of the Council of Europe, Kallas said that if Estonia were to block Russia being accepted to the Council of Europe, it may end up being alone on this matter.

[Correspondnet] Kallas said that, at the Parliamentary Assembly of the Council of Europe, Estonia could veto the Russian Federation being given the membership, as the decision there is made by consensus. However, thereafter, the issue would be discussed and decided upon by the Council of Ministers of the European states and two-thirds of its votes would guarantee Russia's acceptance. Kallas estimates that Moscow will gain these votes and Estonia could end up being alone. Kallas said that larger member states of the Council of Europe would vote in favor of accepting Russia.

Estonia has made a statement asking to include among conditions for accepting Russia an article according to which the Russian Federation must resolve its border disputes according to international law. If such an article is included, Estonia will not hinder the acceptance. However, Kallas did not give a direct answer when asked about the actions of his ministry if the clause proposed by Estonia failed to gain support.

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